

XVIII WINTER OLYMPICS IN NAGANO

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Alberto Tomba, a triple Olympic gold medalist, still dominates the news on and off the slopes.

On Your Mark

Nagano Set for Winter Olympics

International Herald Tribune

The Olympics were founded by men looking back fondly at the glories of Ancient Greece. The Winter games that open in Nagano this week stare determinedly into the next millennium.

The bullet train now reaches Nagano, where the Japanese have erected a set of futuristic sports arenas. There, served by the newest computers, timing equipment and broadcasting technology, athletes from more than 80 countries will compete in the fastest of Olympic sports, made ever faster by high-tech equipment. Speedskaters will zoom round and round on hinged skates. Bobbleheads will explode down their cold, white gun barrel. Skiers will fly down the mountain.

In other ways as well these are very modern games. The top professional ice hockey stars are appearing for the first time. The root of the downhill caused a battle with ecologists. The finances of the organizing committee fell victim to the downturn in the Japanese economy and volatility in the currency markets.

Olympic Special Report inside



French figure skater Vanessa Gusneroli

Asia's Uncharted Economic Waters

World Leaders Don't Yet Have a Plan for Getting Through the Crisis

By Jonathan Gage
and Alan Friedman
International Herald Tribune

DAVOS, Switzerland — Seven months after Thailand devalued its currency, setting off waves of financial turmoil that led to a massive bailout of Asia's battered economies, there is no clear end in sight to the crisis.

Financial and political leaders have not even begun to piece together any plan that might prevent deeper financial tremors from emerging in the days, weeks or months ahead.

The reason is that it is unclear what if anything can be done to address some of the fundamental causes of the crisis, according to leading officials and economists gathered here at an international conference where Asia's troubles and their effects on financial markets across the globe took center stage.

"We are in uncharted waters," said Stuart Eizenstat, the U.S. undersecretary of state for economic, business and agricultural affairs. "There is no ready solution."

The waters are not only uncharted; they are turbulent and deep. The world's financial institutions are not match for the enormous blocks of fast-moving capital that have swept through Asian

Indonesia imposed a series of new controls on banks. • GM is preparing to restore the alliance with Daewoo Motors that it broke off six years ago. Page 11.

financial markets and then abruptly deserted them, officials now say.

The tens of billions of dollars in rescue packages from the International Monetary Fund for Thailand, Indonesia and South Korea will provide breathing space while those nations attempt to slash spending projects and allow ailing companies to go bankrupt or be sold off, officials here agreed.

The consensus among many bankers and officials here is that while South Korea and Thailand have begun to turn the corner, Indonesia's fate remains a major question mark, closely linked to the question of whether President Suharto will continue to rule the country in coming months.

But in broader terms, "if there is no

global arrangement, no concerted international action, this crisis will reappear," said Thailand's deputy prime minister, Supachai Panichpakdi. "We can't wait."

But Thailand and the rest of the world will have to wait.

There are no current plans to regulate or even monitor these money flows, said Mr. Eizenstat and other government officials attending the annual meeting of the World Economic Forum.

Measuring the flow of international capital would be useful but would not in itself remove the possibility of reckless overborrowing by corporations and overleverage by bankers that lies at the heart of Asia's crisis, from Thailand, Indonesia and Malaysia in Southeast Asia to South Korea in the north.

"Information is necessary but not corrective," the financier George Soros said. Besides, Mr. Soros said, "the IMF is not in a position to issue public warnings."

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EU Asks U.S. for Talks on Tariffs

The European Union has asked the United States to join in a new trans-Atlantic trade negotiation to reduce tariffs on industrial and service sectors, officials from both sides of the Atlantic say. The initiative was proposed by Sir Leon Brittan, the European trade commissioner, in meetings with U.S. officials at the World Economic Forum in Davos, Switzerland. Page 11.

WORLD ECONOMIC FORUM

Glaxo and SmithKline Plan Largest Merger Ever

\$160-Billion Giant Would Dwarf Merck and Novartis

By Tom Buerkle
International Herald Tribune

LONDON — The global pharmaceuticals industry could be set for an unprecedented wave of takeover activity following the surprise weekend announcement that Glaxo Wellcome PLC, the world's largest drugmaker, plans to combine with SmithKline Beecham PLC in what would be the world's biggest merger ever.

The deal, which could take a few weeks to finalize but appears likely to go through, would set a stunning benchmark even for an industry that is no stranger to mergers.

Both Glaxo and SmithKline are the products of multibillion-dollar mergers in the past decade, and their combination would put pressure on many rivals. The merged company would have a stock market value of more than \$160 billion, control nearly 8 percent of the world market for prescription drugs with sales of around \$20 billion a year, and be able to invest \$1 billion more a year on developing new drugs than its closest competitors.

Those numbers would dwarf giants such as Merck & Co. and Novartis AG, the second- and third-largest companies in the industry, and could trigger a frantic search for alliances that could strengthen product lines and deliver big cost savings, analysts and industry executives said.

"This will set off another round of consolidation," one industry executive said.

"All of the others are going to have to think about what they want

Newsstand Prices	
Andorra	10.00 FF Lebanon 11.3,000
Antilles	12.50 FF Morocco 16 DH
Cameroun	1.600 CFA Qatar 10.00 QR
Egypt	25.50 Réunion 12.50 FF
France	10.00 FF Saudi Arabia 10 SR
Gabon	1.100 CFA Senegal 1.100 CFA
Italy	2,800 Lire Spain 225 Ptas
Morocco	1.250 CFA Tunisia 1,250 Dm
Jordan	1.250 JD U.A.E. 10.00 Dh
Kuwait	700 Pts U.S. M.R. (Eur.) \$1.20

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Iraq Faces 'Substantial' Force

A Matter of 'Weeks,' Albright Warns

Compiled by Our Staff From Dispatches

KUWAIT — Secretary of State Madeleine Albright arrived in Kuwait on Sunday for talks with Gulf Arab allies on the crisis with Iraq as the United States repeated that it was ready to use "substantial" force if Baghdad failed to grant free access to UN weapons-inspection teams.

But while Mrs. Albright said Washington generally supported an expansion of the Iraqi oil-for-food program, she left no doubt about U.S. resolve.

Mrs. Albright said that it could be "weeks" before the United States takes any military action against Iraq.

"It's not days and it's not months, so that leaves weeks," she said in an interview from Kuwait on CNN about the time frame for a possible U.S. military attack.

The United States prefers to find a diplomatic solution to the standoff, she said, but added: "That string is running out. The time on it is shorter and shorter."

Going beyond the specific issue of increased Iraqi oil sales, the U.S. delegate to

the United Nations, Bill Richardson, said, "They deserve no sanctions relief, and they will get that."

"We don't want to give Iraq any carrot," he said at a news conference at a gathering in Davos, Switzerland, of world business and political leaders. "They deserve nothing."

Mr. Richardson also said that Washington had gained fresh support for a military strike. Two countries — in addition to Britain — have "committed to publicly support the United States should there be a decision of force," he said.

He declined to identify the countries, but a senior U.S. official in Kuwait said Sunday the entrant told Mrs. Albright that his country would support U.S. military action against Iraq if the current crisis made it necessary.

The oil-for-food program allows Baghdad to export \$2 billion worth of oil in exchange for food and medicine over a period of 180 days to relieve the impact on civilians of sanctions imposed after Iraq's

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Mrs. Albright, in Israel on Sunday, as she warned Iraq of "substantial" force.

As Saddam Builds, the Iraqis Suffer

Leader's Extravagance Belies People's Poverty

By Barbara Crossette
New York Times Service

BAGHDAD — On a small hill overlooking Baghdad's zoco, where most of the animals have perished from hunger, a stupendous new palace is rising. It is a massive, brooding, domed extravaganza, the latest and perhaps grandest of the monuments that are steadily remaking the city's skyline to the glory of Saddam Hussein.

Bricks at archeological reconstruction sites bear inscriptions hailing him as a new Al Mansur, the caliph who founded Baghdad in the eighth century. A recent arts festival in Babylon was subtitled "From Nebuchadnezzar to Saddam Hussein." Portraits of the two hang together in Babylon, where Nebuchadnezzar, one of the greatest of ancient Babylonians, ruled in the sixth century B.C.

To burnish his reputation as a leader of Muslims everywhere, Mr. Saddam has just broken ground for the largest mosque in the world.

No one knows how Mr. Saddam can pay for these projects, after seven years of crippling economic sanctions imposed after Iraq invaded Kuwait in 1990. Even as he builds his imperial Baghdad, there is another Baghdad, where people calculate how to pay the next grocery bill.

Ahmad Adnan, a 10-year-old boy suffering from diabetes, was in Saddam Central Children's Hospital for treatment. He was too shy to tell a reporter what he would like from the vendor's stall outside the building, crowded with teddy bears, toys, cookies and candy that no one was buying.

Dr. Kasim Taifi leaned down and

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AGENDA

Albright Criticizes Pace of Peace Talks

Madeleine Albright, the U.S. secretary of state, scolded Israeli and Palestinian leaders Sunday for delaying the fundamental decisions necessary to revive peace talks.

"We have been stalled at this point in the peace process, negotiating the same issues, for a long time — frankly, far too long," Mrs. Albright said at a news conference. "There is far too much at stake for this to go on."

She said that both Prime Minister Benjamin Netanyahu of Israel and the Palestinian leader, Yasser Arafat, had agreed to send envoys to Washington next week for further discussions.

"But I must say I had hoped we would get further on this trip than we have," Mrs. Albright added. Page 5.

SPORTS Korda Wins Australian Open

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The IHT on-line www.iht.com



William Ginsburg, the lawyer for Monica Lewinsky, being interviewed Sunday.

Always to the Rescue / Hillary Rodham Clinton

What Makes First Lady Stand by Her Man?

By David Maraniss
Washington Post Service

WASHINGTON — In the early morning darkness of Jan. 21, up in the second-floor bedroom of their residence, the husband awakened his wife and said there was something he had to tell her.

"You're not going to believe this, but..." he began.

"What is this?" she asked quietly.

"...but I want to tell you what's in the newspapers," he continued.

That is how Hillary Rodham Clinton learned from her husband that he was in trouble again, according to a reconstruction of the scene that she provided on national television.

She made the dialogue sound so gentle and innocuous that it evoked the image of a bewildered Ozzie Nelson rousing Harriet from slumber, rather than what it was: the first couple's first discussion of reports of new sexual allegations that seemed to threaten everything they had struggled to achieve since they spotted each other at Yale Law School 28 years ago.

Whether sanitized or not, the first lady's version of the scene revealed the disparate roles she plays in critical moments. Here she was, presenting herself as the ordinary wife, trying to live an ordinary life, her sleep interrupted by the inanities of the outside world.

Minutes later in the same interview, she transformed entirely into chief partisan in the White House counterattack, claiming that she and her husband were victims of a "vast right-wing conspiracy" that included Kenneth Starr, whom she called the "politically motivated" independent counsel.

In the first days after the news broke that Mr. Starr was investigating whether President Bill Clinton had had a sexual relationship with a White House intern and had urged the young woman to lie about it, some of the central questions in the drama concerned the

first lady: What would she do, and why would she do it? Would this be one sex story too many for her?

Those questions were asked in subdued tones inside the White House, where aides, anxious and confused, said they were looking for her to ease their minds and give them a sense of direction in contrast with what they saw as the president's ambiguity.

In keeping with her long-established pattern, the first lady moved steadily to resolve the questions, or at least smother them, responding as she has again and again in times of personal and political crisis: by doing

At the low point in his life, she did everything it took to bring her husband back.

whatever is required for the survival of the tumultuous and resilient partnership of Clinton and Clinton.

The first key to understanding her behavior can be found in the original nature of her relationship with Mr. Clinton. From the time they began dating in 1970, they shared a passion for politics, policy, power, books, ideas — and they realized, they told friends, that they could attain heights together that they might not reach separately.

Mr. Clinton seemed most impressed by her intellect. He said that she was the one woman he could see growing old with. He once told Melanne Verveer, whom he had known since college, that he was emulating Phil Verveer, Mrs. Verveer's husband, in going for "brains and ability rather than glamour" — and he meant it as a compliment. For her part, Mrs. Clinton's feelings about her husband seemed more traditionally romantic. One friend described her as "besotted."

The second key to understanding the first lady's behavior today comes from the pattern that developed after they got married and became the most powerful couple in Arkansas.

Throughout that period, from the late 1970s to the early 1990s, there were regular intervals when their personal relationship seemed endangered, often by Mr. Clinton's sexual behavior.

The true extent of his infidelity is known only to him. He has acknowledged it to the degree of confessing that his actions had caused "problems" in the marriage and that he was unable to meet a standard of perfection. In a recent deposition, he also apparently testified that he had sex with Gennifer Flowers, an allegation he had vehemently denied when it threatened his nascent presidential campaign in 1992. Ms. Flowers has claimed their affair lasted 12 years.

But the most important pattern that developed over that long haul in Arkansas was that in times of real crisis, when Mr. Clinton's career, and their shared dream, seemed imperiled — for whatever reason, his personal behavior or larger political forces — it was his wife who took the lead and made it possible for him to recover.

She did this largely by turning outward, coolly focusing her anger and energy on her adversaries. This habitual response intensified their symbiotic relationship and made it easier for her to repeat the process in the next moment of vulnerability.

THE DEFINING CRISIS of this sort came in 1980 when Mr. Clinton, after a single two-year term as governor, was defeated. He was depressed by the loss, consumed by bitterness, convinced that journalists had conspired against him, doubtful that he could recover.

Mrs. Clinton stepped in and made recovery possible. She went to the press and calmly described the forces that were out to get her husband, explaining that he had lost because "there was no effective counterattack" to the negative stories spread by his opponent and the Republican right.

And, in response to criticism that



Hillary Clinton in Zurich, on her way to Davos. The presidential confidants Vernon Jordan Jr. and Thomas McLarty were also there.

she seemed too much the feminist for Arkansas tastes, she changed her image. She softened her hair, bought contact lenses, built a new wardrobe, used more makeup, even changed her name. No more Hillary Rodham in public; she was now Mrs. Clinton. At the low point in Mr. Clinton's life, she did everything it took to bring him back. He returned to the governor's mansion in 1983 and did not leave until he packed his bags for the White House.

Throughout his final decade as governor, even as their marriage went

through a series of tests, their professional partnership grew ever stronger. From the ashes of 1980, she emerged as his key policy adviser and political strategist.

The final key to understanding the first lady's response to the latest allegations comes from the long-standing sense the Clintons share that they engender hatred that exceeds the norm, that people are constantly spreading false rumors about them. That there is, as she claimed, a right-wing conspiracy to destroy them.

TRAVEL UPDATE

Brussels Strike Hits Virgin Express

BRUSSELS (Reuters) — Pilots and other Belgian-based crew of Virgin Express went on strike Sunday for better working conditions, disrupting flights from Brussels.

Virgin Express had about 30 scheduled departures from Brussels on Sunday, and up to 50 percent of them were threatened by the strike, a spokesman for the airline said.

United Plans Denver-Europe Run

DENVER (Bloomberg) — United Airlines plans to start

nonstop flights between Denver and Frankfurt and Heathrow in London as early as 1999, the Denver Post reported.

The airline said it had tentative approval for a Denver-London flight, but still needed final approval from both the British and U.S. governments.

United

Express had about 30 scheduled departures from Brussels on Sunday, and up to 50 percent of them were threatened by the strike, a spokesman for the airline said.

United

Plans

Denver

Europe

Run

United

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Investigation in Washington / A Different Kind of Journalism**Internet's Magnifying Glass****Electronic 'Coverage' Challenges All the Rules**

By Janny Scott
New York Times Service

NEW YORK — The story that caromed off the keyboard of an Internet tipster and hurtled through the talk shows to the top of every network news broadcast and major newspaper in the country appears to many in journalism to have blurred the boundaries between mainstream and tabloid news.

For nearly two weeks now, newspapers and news shows have been dominated by the story, which has been rife with the sensational elements of tabloid news, based heavily on anonymous sources and colored in many instances by what journalists themselves say is speculation and hype.

Editors have found themselves debating whether to use words like "semeo" on the nightly news, wondering whether eight times is too often to use "scandal" on a single front page, scrutinizing wire stories they are about to publish to guess whether information from an unnamed source is first-, second- or third-hand.

"This is in many ways the most difficult story I've seen in 25 years in journalism," said Sandra Mims Rose, editor of The Oregonian in Portland, Oregon. "The advances in media, the crush of media, the greatly varying standards that media have and the 24-hour news cycle are all a piece of that."

"We spout off all these high ideals and goals of journalism," Ms. Mims said, "and then you get a story where the principal characters are of questionable character, and the details have a salacious aspect, and the whole blasted thing is based on anonymous sources. That combination is troubling."

There is little disagreement about whether news organizations should be covering the story, concerning as it does accusations that President Bill Clinton had sex with a former White House intern and encouraged her to lie under oath. Those accusations, which have been emphatically denied by Mr. Clinton, are under investigation by the independent coun-

"We're talking here about very serious allegations if they're true," said Peter Jennings, the ABC News anchor. "These are tabloid allegations. The independent counsel calls them grave and serious. This is about power struggle, this is about a political struggle, and then it is about the way the media cover it."

How the media have covered it is the source of the discomfort. Many journalists say mainstream news organizations have lowered their standards in the face of the information free-for-all that has resulted from the rise of the Internet, talk radio and 24-hour cable news.

"My view is that some of the media are out of control in covering this story," said James Rissner, a two-time Pulitzer Prize winner who ran the Washington bureau of the Des Moines Register for nine years. "Rumor and inadequately sourced information are being rushed into print and on the air."

"Much of this is due to competition," said Mr. Rissner, who is now director of the Knight journalism fellowship program at Stanford University. "But competition is not going to be an adequate excuse if elements of this story turn out to be wrong."

How the story first surfaced illustrates the problem mainstream news organizations face. When Newsweek magazine opted two weeks ago to refrain from running the story that week, Matt Drudge heard about it and posted a story about the story on his on-line gossip sheet, the Drudge Report.

That report, on Jan. 17, made its way to various Internet news groups, then into the conversation on ABC-TV's "This Week" program the following morning, then onto a CNBC talk show, then onto CBS Radio and finally into major newspapers and network news shows on Jan. 21.

From there, it soared into almost round-the-clock coverage on CNN and MSNBC. Networks began interrupting programs to air White House briefings. Usage of World Wide Web sites shot through the roof; newsstand sales went up. Newsweek ended up posting on-line the story it had not been prepared to put in print.

"Did the Web give the story additional velocity? Definitely," Seth Stevenson wrote in the on-line magazine Slate, tracking the story's trajectory. "The ethics cops who patrol newspaper and magazine newsrooms can't control the rumors and unsubstantiated stories that people post to the Web."

Reporters and editors found themselves chasing down rumors that seemed to catapult into truth by simply bouncing back and forth from one medium to another. Some news organizations published reports they had been unable to verify themselves, adding the disclaimer, "if true."

The subject matter, too, was troublesome. The Chicago Tribune has mostly avoided using the phrase "oral sex." The Christian Science Monitor is referring to semen as "residue." Mr. Jennings found himself on the air trying to interview Candace Bushnell, the sex columnist, about men, sex and power.

"Even if you wouldn't have covered something in your paper based on your standards, suddenly it has become part of the political discussion, and you are forced to cover it," said David Cook, editor of The Christian Science Monitor.

There was a time when a handful of news papers and networks acted as gatekeepers for the news. But that monopoly is long gone. Now, everyone seems to compete with everyone. Some longtime journalists say they fear that the divergent standards of different media have begun to blur together.

Cable television is widely believed to have changed network television news. And CNN's coverage of the Gulf War in 1991 is seen by many as the precursor of the kind of television news coverage that characterized events like the O.J. Simpson case and the death of Diana, Princess of Wales.



Larry Mays/The Washington Post
REUNION — Bill Clinton and his daughter, Chelsea, leaving the White House for Camp David, Maryland. She took the weekend off from Stanford University.

Democratic Fund-Raisers Stunned as Money Rolls In

By Richard L. Berke
New York Times Service

WASHINGTON — Democrats who only days ago feared that the White House sex scandal would cripple their candidates in a midterm election year now say that, to their amazement, the crisis may be galvanizing party loyalists and bolstering efforts to raise money.

In interviews over the last few days, dozens of Democratic politicians, strategists and fund-raising consultants here and across the country said that the accusations against President Bill Clinton, at first glance, could not have come at a worse time. The party faces \$9 million in debt just as it is trying to advance an agenda in Congress and as candidates are gearing up for the November elections.

Still, these Democrats pointed to an unexpected political dynamic. Although some Democrats are reserving judgment and fear that the party could crumble under further revelations, the matter is prompting others to redouble their efforts to help the party financially and politically.

"This is a little bit of a wake-up call," said Beth Dozoretz, a major Democratic fund-raiser who had taken a break from asking for contributions — until the scandal broke. "It's very typical that mid-term elections people get lethargic. But this has brought it to the front burner again."

Beyond the polls late last week showing that Mr. Clinton's job approval ratings were among the highest of his presidency, there is independent evidence across the country that, at least for now, Mr. Clinton's difficulties may be something of a boon to the party.

At the Democratic National Committee, Steve Grossman, the national party chairman,

said that although the party's telephone solicitations had declined in the first two days of the scandal, they have since rebounded to the highest point of January, from an average \$25 pledge rate after the matter became public to more than \$30 after the State of the Union Message last Tuesday. "We are seeing a sea change in the way people have responded in the last few days," he said.

At the White House, officials said no politicians had canceled fund-raising events or appearances with Mr. Clinton.

In New York, Democratic Party officials who only weeks ago groused that the national party was undermining their fund-raising efforts said they had been stunned by fund-raising pledges last week. "You could knock me over with a feather," said Judith Hope, the New York Democratic chairwoman. "I assumed the worst would follow."

The New York state party took in \$630,000 in all of last year. When it operated phone banks, the party usually tallied pledges for \$20,000 to \$25,000 in a night. But last Monday night, the party's phone banks took pledges for \$39,750. Ms. Hope said, "which was one of the best nights we've ever had." Last Tuesday, the day of Mr. Clinton's State of the Union Message, the phone calls reaped pledges of \$75,000, a record for a single night, she said.

In the interviews, many Democrats said they were taken aback by the enthusiasm.

"In a certain ironic sense, it has helped," said Representative Charles Schumer, Democrat of New York, who is running for the Democratic Senate nomination, speaking of the scandal. "There's far more enthusiasm for the prescriptions the president laid out in the State of the Union. Because of all the allegations swirling around, it's our refuge."

Sex and Civics: What Should a Child Be Told?

By Tamar Lewin
New York Times Service

NEW YORK — Dr. Harold Koplewicz, director of New York University's Child Study Center, tells of the parents who got nervous last week when their 8-year-old son asked what was happening in the White House.

Worried that they were about to face some tough questioning about sex, they stalled, asking, "What do you mean?"

"Well, said the boy, "What's an intern?"

Across the country, parents and teachers spent the last week trying to help their children make sense of the president's latest crisis, taking on sensitive topics such as oral sex and marital fidelity and grappling with hard questions about rumors and wire-tap-

ping and betrayal. "My daughter was very upset," said Susan, a woman who refused to give her last name for fear of embarrassing her 15-year-old daughter.

The woman was speaking at an evening session at New York University Medical Center, where specialists from the Child Study Center and Children Now, a children's advocacy group based in California, offered guidelines on talking to children about tough issues.

"She thinks the president's a real sleazeball," the mother said, "and she's very concerned about Chelsea."

"I remind her that we don't have all the answers yet, but it does look fishy," the mother said. "We have talked about oral sex before this, and now we're talking about it more. She

sees very clearly how women can be used."

For some, especially those dealing with young children, talking about current events has become treacherous territory. Elementary-school teachers describe discussions in which a third-grader reports that the president may be having an affair, and the next child asks what an affair is.

"I got in a little too deep with my 9-year-old daughter, who had heard some things on the news," said another woman at the New York University meeting.

Dr. Koplewicz stressed that what we depend on both on the child's developmental stage and what the child asks.

"With teenagers, this is a great jumping-off point for discussions about sex and values," he said.

But Dr. Koplewicz said, children 6 to 8 years old are not ready for sexual details.

"They will want to know if the president has done something bad," he said. "This is a chance to talk about how it's exciting to listen to secrets and gossip, but it's not nice and it's dangerous, and if this were about our uncle, or someone we loved, we wouldn't want to spread these stories, especially when we don't know what actually happened."

Children 8 to 12 years old are the most rigid, rule-driven group, Dr. Koplewicz said.

"They want to know: Did he do it, or didn't he? You can talk about how someone could be an excellent president, but maybe he did this, which would make him a bad husband; that one person could be both things."

BOOKS**CUBA LIBRE**

By Elmore Leonard. 343 pages. \$23.95. Delacorte Press.

Reviewed by Christopher Lehmann-Haupt

SUDDENLY and surprisingly, after recent novels set in contemporary Florida and Italy and Detroit and New York and Hollywood and Atlantic City, but mostly Florida; suddenly, in Elmore Leonard's 34th and latest, "Cuba Libre," we find ourselves in Cuba almost exactly a hundred years ago.

And instead of Leonard's usual noir-comic, claustrophobic beat of small-time hustlers and con men, the world here opens up to reveal a wide panorama of the Cuban revolution and the Spanish-American War, complete with the blowing up and sinking of the Maine in the opening pages, witnessed by Private Virgil Webster, a seagoing Marine and one of the casualty's few survivors:

"And the second explosion rocked the Maine amidships, the towering twin smokestacks vanishing from Virgil's sight, gone, the superstructure gone, in that moment erupting in a blaze of light, the ship bursting, ripped apart, and Virgil felt himself lifted from the deck, hammock still around him, blown into the cloud of smoke, stunned, his head ringing so loud it was all he heard, blown into the hot sky, an oven, and then falling through smoke to hit the water, the surface on fire, Virgil still wrapped in his canvas shroud."

So how does Leonard thread his way through the chaos of history? Why, by drawing on his considerable skills as a writer of westerns, a genre he perfected in early novels like "The Bounty Hunters," "Last Stand at Saber River" and "Homage." The focal character in "Cuba Libre" is Ben Tyler, a cow-puncher from Sweetwater, Arizona, who

wears spurs because he likes "the sound they made, the ching, when he walked," and who has recently done time for bank robbery because he tried to collect from men who owed him by going straight to their bank accounts.

Tyler takes no guff from anyone. At the novel's opening, he has arrived in Havana to deliver a string of horses to an American sugar baron, which is actually a cover for an arms shipment to Cuban insurgents. When three Spanish hussars give Tyler a hard time, he tells them, "I thought the circus was in town and you boys played in the band." One of them challenges him to a duel. Tyler says: "What you need to do is get over your touchiness. You understand what I mean? You're too sensitive, got a thin skin on you."

Incensed, the hussar slaps Tyler with his gloves. Tyler punches him in the face. The hussar draws a pistol and aims. Tyler whips out his own weapon and shoots the hussar dead. This gives the Guardia Civil an excuse to arrest Tyler on suspicion of running guns. In jail, he befriends Webster, the survivor of the Maine, who has been arrested, so that he can't testify about the sinking of his ship. The two of them quickly get caught up in the cross-currents of the war and revolution.

PREDICTABLY, because this is a Leonard novel, the story that ultimately unfolds is yet another brilliant retelling of Chaucer's "Pardon's Tale," with half a dozen or so parties scheming to make off with a fortune in ransom money intended for the revolutionary cause. What Leonard does with his usual skill is modulate the reader's like and dislike of the various characters so that "Cuba Libre" resolves itself in a satisfying finale of revenge.

And naturally, the prose is Leonard's familiar compounding of present participants. "The mulatta served them coffee

in the early morning of the 27th, the two leaning on the table to conspire: her lover in his uniform talking, talking — it was what he did — and her brother listening, Osma the slave hunter resting on his thick arms, Osma nodding, Osma raising the cup to sip coffee through his beard."

Still, despite these Leonard trademarks, "Cuba Libre" is unusually rich in period atmosphere, not so much because of its colorful mise-en-scène as because the author seems, as always, so uncannily at home with the slang and terminology of the times, even down to playfully detailing the contents of his heroine's traveling bag: "Sweet Caporal cigarettes, bottles of Ayer's pills, Lydia E. Pinkham's Vegetable Compound, Sherman's Papillary Oil, and a half pint of quinine."

And then, of course, there's Leonard's take on the war. Through the character of Neely Tucker, a correspondent for The Chicago Times who keeps framing scenes with his own florid prose, we hear of the charge up San Juan Hill of Teddy Roosevelt and his Rough Riders: "In some accounts they're even on horseback. But there was no mounted cavalry during the campaign; all the horses had been left at Port Tampa, though some staff and division officers had horses." He continues, "Teddy did take Kettle Hill, but by the time he got to the San Juan Heights the battle was almost over."

"American soldiers won this war," Tucker concludes, "despite the incompetence of their leaders." And what they won it for, another character insists, was to protect American business interests in Cuba.

But happily, Leonard is too good a storyteller to let such political views shape his characters. Their cynicism is all their own. And they act on it with the courage of their own amusing contempt.

New York Times Service

BRIDGE

By Alan Truscott

A TRANS-Atlantic partnership captured the prestigious Cap Gemini World Top Pairs in The Hague recently. Zia Mahmood, the Pakistani star who lives in Manhatten, was playing with the top-ranked British player, Tony Forrester. They held a big lead at the start of the final session but were challenged by two Italians, Andrea Buratti and Massimo Lanzarotti. The margin was 13 victory points with one match remaining to be played, but Zia and Forrester held on to win by 21.

The final standings were: first, Zia and Forrester, 857; second, Buratti and Lanzarotti, 836; third, Tor Helness and Geir Helgemo, of Norway, 815. The highest-ranked Americans were David Berkowitz, of Old Tappan, New Jersey, and Larry Cohen, of Boca Raton, Florida, who were sixth, with 785.

Cohen and Berkowitz sat North-South on the dynamic deal shown in the diagram, with another American pair, Eric Rodwell and Jeff Meckstroth in the East-West seats. North's two-club opening was natural. South was eventually doubled in five hearts, a contract that would make an over-trick with normal breaks.

The lead of the spade nine was "reverse suit-preference," asking for a club return. South ruffed and carelessly led a diamond. East won, and led a trump, taken by the queen, and West was able to ruff. But he had no more diamonds, and whether he led a spade or a trump, South could use his last trump to squeeze East in the minor suits.

South made his contract,

and gained 13 imps. East

ruffed a diamond, ruffed a spade, and repeated the process. Drawing trumps would then have squeezed East and produced an over-trick. Instead he led a club, giving West a chance to ruff. If he had done so, South would have had no trouble. But West discarded, and the club king woo in dummy.

Cohen ruffed a spade, ruffed a diamond, ruffed a spade and ruffed one more diamond. Now he was in the wrong hand, with nothing but clubs in the dummy. He led to the queen, and West was able to ruff. But he had no more diamonds, and whether he led a spade or a trump, South could use his last trump to squeeze East in the minor suits.

South made his contract, and gained 13 imps. East

West were left to regret that they had not continued to five spades, a contract that succeeded at other tables.

NORTH (D)
J 88
Q 94
8
A K 10 7 3 2

WEST
K 9 7 5 4 3 2
10 8 3
A 7 3
—
EAST
Q 9 10
5
K 9 5 4 2
J 9 8 4

SOUTH
A K J 7 6 2
J 10 9 6
Q 6 5

East and West were vulnerable.

The bidding:
North East South West
2 ♠ Pass 2 ♠ 2 ♠
2 ♦ 4 ♦ 5 ♦ Pass
Pass Dbl. Pass Pass
Pass

West led the spade nine.

Bravo Martina!

OMEGA congratulates its ambassador Martina Hingis for her superb victory. Martina Hingis and OMEGA - sharing the same passion for precision!

ASIA/PACIFIC

World Bank Targets the Next Asian Danger: Growing Social Unrest

By Michael Richardson
International Herald Tribune

SINGAPORE — In a major effort to prevent large-scale social and ethnic unrest from derailing economic reforms in East Asia, the World Bank is considering allocating \$9 billion to emergency job creation and other programs to ease poverty in the region.

The money will be drawn from \$16 billion in loans pledged by the bank to East Asian countries since financial turmoil hit them in July, James Wolfensohn, the World Bank president, said in an interview Sunday.

"I don't know the exact numbers," he said, when asked how much of the \$16 billion would go toward protecting the poor and providing a social safety net. "But it might be 60 percent, or of that order."

Warning that "many, many mil-

lions" of Asians would lose their jobs as a result of the crisis, Mr. Wolfensohn said the bank would work closely with regional governments to develop programs to help the poor. He indicated that additional money would be made available if needed.

"In Asia, there isn't the sort of social welfare support that exists in the West," Mr. Wolfensohn said. "When you no longer have high economic growth, you fall and there is no safety net to catch you."

Most of the World Bank credits will go to Indonesia, Thailand and South Korea — the three countries forced by crisis to turn to the International Monetary Fund for assistance. They have had to accept harsh austerity measures and other sweeping reforms to their economies in exchange for IMF-led loans totaling more than \$100 billion.

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BRIEFLY



First Prime Minister Ung Huot, left, listening to Nady Tan, a former dean of Funcinpec, at a party congress Sunday in Phnom Penh.

Ex-Ranariddh Allies Create Two Parties

PHNOM PENH — Two senior members of the Funcinpec party of the deposed first prime minister, Prince Norodom Ranariddh, formed their own political parties Sunday.

Ung Huot, the prince's replacement as first prime minister, said he was forming the Populism Party. Earlier Sunday, the secretary-general of Funcinpec, Loy Sim Chheang, formed the New Society Party.

Officials from both parties said that although they were formally breaking with Prince Ranariddh, they supported his father, King Norodom Sihanouk, as the constitutional monarch.

(Reuters)

New Tamil Fighting

COLOMBO — More than 300 Tamil Tiger rebels were killed in a battle in northern Sri Lanka just days before celebrations for the country's 50th anniversary of independence, the Defense Ministry said Sunday.

The fighting, the first major battle with separatist rebels since December, came one week after a bomb explosion at a Buddhist shrine in Kandy forced the government to move the anniversary festivities planned for Wednesday to Colombo.

The Defense Ministry said that a large rebel force began an attack in northern Kilinochchi district late Saturday and that fighting continued until early Sunday. Twenty government soldiers were killed as troops repulsed the attack.

The government outlawed the Lib-

eration Tigers of Tamil Eelam last week after blaming the rebels for the bomb blast that damaged Sri Lanka's holiest Buddhist shrine and killed 16 people.

(Reuters)

Bomb Scare on Jet

TOKYO — A Garuda Indonesia passenger airplane bound for Osaka, Japan, returned to Jakarta one hour after takeoff Sunday because of a bomb threat, airline officials said.

An official at Kansai International Airport in Osaka in western Japan said three passengers were injured in an emergency evacuation. No bomb was found aboard the craft, an Airbus A-330 carrying 225 passengers and crew, officials said.

(Reuters)

For Beijing Students, the Communist Party Club Is Back in Fashion

By Erik Eckholm
New York Times Service

BEIJING — In an era of business deals and fervent consumerism, when the MBA is hot among graduating seniors, why do more and more of the better college students yearn to join a seemingly outdated club — the Communist Party?

At Beijing University, the country's most prestigious school, which draws an elite student body from around the country, 10 percent of the 8,733 undergraduates are now party members. That proportion is up from 5 percent in 1991, when the party was in low repute after the violent crackdown on students demonstrating in favor of democracy in 1989.

More than 20 percent of the Beijing University students have sought to join, and applications are increasing each year, party officials say. But it is not easy to get into this exclusive club.

The numbers of applicants and members are also climbing at other leading universities, the officials say. Nationally, the Communist Party's total membership has grown to a historic high of 55 million, up from 48 million in 1989 and 4.5 million back in 1949, when the People's Republic of China was founded.

There are two explanations for the party's continuing growth.

One is offered by Wang Dang, 20, a junior at Beijing University who had started his quest for party membership while still in high school in the southern coastal province of Zhejiang.

"This is an outstanding party with an outstanding purpose, to change society for the better," he said. "It's attractive to anyone who is searching for higher ideals in life."

The other explanation is offered by a longtime party member now in his 60s, a disaffected "liberal," who spoke on condition of anonymity: "People my age joined the party for ideals. Now, most of them are joining because they want power and seek personal gain."

The elder's view is shared by many students who tend to be openly skeptical of the motives of those who join the party, noting, among other things, that a party card helps graduates from the provinces get jobs that allow them to live in Beijing.

What is certain is that even today, membership in the all-powerful party can bring enormous advantages. For those who seek a career in government, it is indispensable. For the large numbers who will end up working in state-owned companies, a party card is required for advancement to senior management positions.

Even many leading private businesses choose to join because membership

can open doors with the government and party officials who control vital information and authority.

"The Chinese Communist Party has become a network of bureaucratic elites," said Sun Sheng Zhao, a professor of politics at Colby College in Maine and editor of the *Journal of Contemporary China*. Young people are joining, he said, because of "the power of party membership to enhance their career in the bureaucratic system."

The party itself is less monolithic and demanding of its members than it used to be, noted Kenneth Lieberthal, a professor of politics and business at the University of Michigan, "and therefore it can actually be attractive for people who want to bring about better governance."

He added: "A substantial portion of the most exciting and potentially lucrative positions in China's marketizing economy are disproportionately available to those who are party members. The party has become the establishment

of the most rapidly growing — and perhaps the most rapidly changing — country on earth."

Whether a growing share of less-than-committed cadres will help the party keep its monopoly on political power is also a matter of debate.

The party elder said that with so many people falsely claiming to believe, "it creates an environment of lies, and this will eventually erode the power of the party."

Roderick MacFarquhar, an expert on Chinese politics at Harvard University, said it was clear that most new members mainly want to further their careers.

"Recruits of this type only further adulterate the ideological nature and esprit de corps of the party, and indeed are a symptom of how far that degeneration has already gone," he said.

But Mr. Zhao of Colby College noted that rising party membership reflects the pragmatism prevailing in China today. "This pragmatism could help the party

hold its power as long as it does not worry about ideological correctness or grass-roots discipline," he said.

Illustrating the advantages of membership, a woman in her 30s who did not join the party, and works in the state-run broadcast industry, said party members in the radio and television networks get first shot at foreign assignments and covering big stories like the return of Hong Kong to China. While a capable nonmember could become a senior editor, she said, he could never reach senior management of the work unit.

The party has for years had a public goal of attracting younger and better-educated members. In pursuit of that aim, Hou Xuezhong, who is vice director of the Organizing Department of the Beijing University Party Committee and also director of the university's party school, has been one very successful cadre.

He took over university-wide recruiting in 1991, when, as he recalled in an interview, "there was much confusion of minds, so fewer students applied."

The party does not just accept anyone, Mr. Hou said, and it usually takes applicants more than a year and a half of meetings, study of the elusive Deng Xiaoping Theory, self-criticism, essays, group outings and closely scrutinized behavior to get in. "You must believe that the Communist Party can lead China toward reform and opening up," he said, adding, "You must care about the masses, and serve the people."

Mr. Sharma is seeking re-election in Amritsar for the third time.

Indian voters go to the polls for the second time in two years from Feb. 16 to March 7.

Sonia Gandhi Opens Congress Party Campaign

Reuters

AMETHI, India — Sonia Gandhi kicked off the Congress (I) Party's election campaign in the northern state of Uttar Pradesh on Sunday in the Amethi constituency of her late husband, Rajiv Gandhi, a former prime minister.

Describing her visit as a "homecoming," the Italian-born widow urged the government to complete the inquiry into her husband's assassination.

An Indian anti-terrorist court on Wednesday condemned 16 Sri Lankans

and 10 Indians for their roles in the killing. Mr. Gandhi, then in opposition, was blown up by a suicide bomber as he campaigned for national elections in the southern town of Sripuramudur on May 21, 1991.

Mrs. Gandhi said those involved in the conspiracy leading to the assassination had yet to be exposed.

Despite the verdict against the 26 accused, "I would expect the government not to allow any let-up in the investigations," she said at an election

rally of about 100,000 people. "Let the world know the whole truth."

Accompanied by her son, Rahul, her daughter, Priyanka, and son-in-law, Robert Vadra, Mrs. Gandhi was introduced to the crowd as the "bride of Amethi" by her late husband's protégé, a pilot-turned-politician, Satish Sharma.

Mr. Sharma is seeking re-election in Amritsar for the third time.

Indian voters go to the polls for the second time in two years from Feb. 16 to March 7.

20 years ago to 11 percent this year.

Q. Are you concerned that mass unemployment in Indonesia and other hard-hit countries in East Asia will ignite social and ethnic tensions?

A. Of course I am concerned about it. But giving economic hope can alleviate this risk. Whether it is in Asia or Congo or Gaza or Bosnia, the only way that you can have stability and peace is if people have that kind of hope.

Q. Critics of the IMF claim that the austerity conditions it imposes on governments in exchange for multibillion-dollar loans are aggravating the crisis by throwing more people out of work and creating the kind of social stress and economic hardship that you say the World Bank is coming in to alleviate.

A. I've heard those criticisms. But the first thing you have to do when you're in a crisis is to steady the situation. When you have a free fall of currencies and stock markets, you have to restore confidence. I think the IMF programs have been designed first and foremost to restore economic confidence — to put a tourniquet around the bleeding arm. Arguments as to where you should put the tourniquet or how tightly you should do it are more art than science, in my judgment.

They have done a good job. I think that what they are now doing is going back on a second mission to see how their programs relate to current conditions in the country, including the impact on the poor, job-creation and liquidity for the private sector. I have confidence they'll come out with a good result.

Japan Town Is Attacked By Monkeys

By Kevin Sullivan
Washington Post Service

TOKYO — A pack of wild monkeys terrorized a seaside resort town south of Tokyo last week, attacking 30 people and sending eight of them to the hospital with bites.

The victims, mostly women, were attacked from behind, often in their own homes, by monkeys who bit them on the ankles, calves and backs. One woman, 62, was bitten as she vacuumed her living room; another was jumped on the street and pushed to the ground.

"I have lived for 17 years," she said. "And this is the first time I've been attacked by a monkey."

Officials in the town of Ito, on the Izu Peninsula, have no idea why the usually peaceful monkeys came down from the mountains. They speculate that an unusually snowy winter has made it hard for them to find food, forcing them into town to scavenge. But that does not explain the bad attitude, or why 26 of the 30 victims have been women from 40 to 80 years old.

At least five monkeys, each standing about 1 meter (3 feet) high, have been spotted tangled in people's laundry or going for the ceremonial fruit on the Buddhist altars that many people have.

The town is fighting back. At one school, people are guarding the building with long sticks to swat away any monkeys that come near the children.

Loudspeakers, which normally warn townspeople in the event of earthquakes, are broadcasting this message: "Monkeys are on the loose. If you go out, lock your door. Be cautious. Do not give them food."

The monkeys have shown a remarkable aptitude for opening unlocked doors and entering homes.

Fukuko Inaba said she had been vacuuming when she was bitten on the ankle, on the ankle, and saw what she thought was a dog running out the door.

She pulled the sliding door shut and returned to work, only to be attacked again.

This time, she saw that it was a monkey, which had managed to open the door. When she shouted and began banging on a chair, the monkey retreated.

Victims Decry Itai

By Celeste Briscoe
Washington Post Service

BEIJING — When Sofitel Hotel workers gathered the other day to protest the closure of their hotel, they were met with a different kind of protest. It was not the protesters who had been planning to publish an independent literary journal.

The protesters reported, meanwhile, that police in the southwestern province of Guizhou had arrested four poets known for their liberal views who had been planning to publish an independent literary journal.

Wu Ruohai, Xiong Jiajun, Ma Zhe and Ma Qiang were taken away Monday, and their families have not been told the reason for their arrests, the Information Center of Human Rights and Democratic Movement in China said, citing sources.

In another development, Xu Wenli issued a letter urging China's legislature to ratify United Nations human-rights covenants. Mr. Xu spent 12 years in prison for his role in the 1979-81 Democracy Wall movement. (AP, Reuters)

Inrest

Remnants of Sad Era: Ceausescu Rummage

Museum in Bucharest to Auction Off a Cache Of Mostly 'Kitsch' Gifts to Dictator and Wife

By Jane Perlez
New York Times Service

BUCHAREST — Romania is planning a yard sale. Up for grabs are busts of Nicolae and Elena Ceausescu, the Communist dictator and his wife, who ran the country for more than three decades; fine porcelain and cheap crockery, handbags and briefcases.

"Most of it is pure kitsch," said Nicolae Petrescu, deputy director of the Museum of History here, as he inspected storage rooms stuffed with gifts given to Mr. Ceausescu and his wife by Communists Party groups and foreign dignitaries.

"Does someone want to drink out of the tea and coffee set Brezhnev gave Ceausescu?" he asked.

During the Ceausescu era, the gifts were displayed in glass cases in the museum, and schoolchildren learning lessons on the supposed popularity of the unpopular president were taken on field trips to inspect them.

After the violent overthrow of the dictatorship in 1989, when the Ceausescus were executed, the museum quickly dismantled the display. Now,

short of funds and tired of hoarding mostly useless objects, it is organizing an auction.

"It was all dumped on us from the very beginning of his rule," said Mr. Petrescu, who was part of the retinue when Mr. Ceausescu visited the museum to inspect his goodies. "But most of the gifts he received from abroad were selected by him and his wife and kept in the palace."

Mr. Petrescu said no one from the museum knew what had become of these more valuable gifts, among them a French tapestry.

Mr. Ceausescu was one of the most repressive Communist dictators in Eastern Europe, but because he was on friendly terms with the Soviet Union, the United States and other Western countries maintained fairly cordial relations with him. The presents from the United States give an indication of this: models of moon craft from the National Aeronautics and Space Administration; a key from the city of New York; a ten-gallon hat from Texas.

The French government was more generous. It gave blue-and-gold Sevres urns with portraits of the couple painted on the sides.

And the Soviets were not exactly stingy. The red and white tea and coffee service from Leonid Brezhnev, the former Soviet leader, has nearly 100 pieces, Mr. Petrescu said.

Most of the pieces fall into the category of oversized bric-a-brac, objects ordered by the Romanian Communist Party and fashioned by factory workers, who toiled over them for hours in preparation for a visit from the "beloved leader." A woodworking plant built a headboard with an inlaid design showing the president looking youthful, with a full head of hair and a cherubic smile.

There is plenty more to buy, including imitation Tiffany glass vases, a pair of porcelain birds presented by the Rolls-Royce plant in England and sandals from Morocco.

The museum staff is preparing an inventory but has not decided when the auction will be held, Mr. Petrescu said. It was also far from clear who might buy the items.

But for history's sake, the museum will hold on to several Ceausescu statues. They will serve as a reminder, Mr. Petrescu said, of the dictator's cult of personality.



SPANIARDS PROTEST KILLING — Spaniards filled the streets of Seville as they demonstrated against the slayings, attributed to Basque guerrillas, of Alberto Jimenez Becerril, a city councillor, and his wife.

Greek Strike Wave To Hit Peak Monday

ATHENS — A wave of strikes that has hit Greece for two weeks will peak on Monday with a road blockade by farmers, a walkout by transport workers and a rally in Athens against the government's tight economic plans.

Analysts said the upheaval is a major test for the socialist prime minister, Costas Simitis. Despite dissent in his own Panhellenic Socialist Movement, Mr. Simitis wants to go ahead with deep reforms in the public sector, heavier taxes and cuts in benefits.

A number of governing party deputies have threatened to vote against a bill Monday that would give the government power to strip employees of debt-ridden state companies of their right to negotiate salaries. (Reuters)

Britain Opens Drive To Collect Handguns

LONDON — The government opened a monthlong campaign Sun-

day for owners of small-caliber handguns to turn in their weapons before a near-total ban comes into force.

The campaign to turn in weapons of .22 caliber and below follows efforts last year to call in weapons over .22 caliber, which netted 1,559 rifles and 4,442 handguns.

Britain adopted some of the world's toughest gun laws after Thomas Hamilton walked into a school in Dunblane, Scotland and opened fire with four legally owned handguns, killing 16 children and a teacher before taking his own life. (AP)

Yeltsin Turns 67

MOSCOW — President Boris Yeltsin of Russia, who turned 67 on Sunday, celebrated the day with his family over cabbage pie, his favorite, at a country residence.

Mr. Yeltsin's wife, Naina, said she was also planning to make a cake with nuts. But the president "does not like sweet desserts" much, she added.

Prime Minister Viktor Chernomyrdin, accompanied by his top deputies Boris Nemtsov and Anatoli Chubais, flew by helicopter on Sunday

to the Rus country residence, northwest of Moscow, to congratulate the president. They presented him with a 19th century icon depicting two Russian Orthodox Church saints, Boris and Gleb.

The vote was a culmination of a year-long power struggle between Mrs. Plavsic and her predecessor, Mr. Karadzic, whom she has accused of corruption and of impoverishing and endangering Bosnia's Serbs with his resistance to the Dayton accord.

Mr. Dodik, a Western-backed reformer welcomed by the international community, took office Saturday with his cabinet. Mr. Dodik addressed Parliament, expressing support for the Dayton peace accord and predicting results from his government within two months.

The move also will be a vindication for Serbs in northwestern Bosnia who have long resented their perceived neglect by Mr. Karadzic's Serbian Democratic Party in Pale. Banja Luka, with a population of 150,000 and an industrial base, has languished since the war ended in 1995. The party's refusal to hand over Mr. Karadzic and other war crimes suspects has cut off Banja Luka and other Serbian areas from international aid.

The United States has said it might provide Mr. Dodik's government with up to \$5 million each month, in response to a plea for more aid from Carlos Westendorp, the international community's top representative in Bosnia. Of the 83 seats in Parliament, two hard-line parties hold 39.

Gaullist Leader Breaks Deadlock to Keep Opposition Party's Name

By Craig R. Whitney
New York Times Service

PARIS — Defeated in legislative elections last year, President Jacques Chirac's Rally for the Republic party vowed at a convention here this weekend to do better next time and almost changed its name to get a fresh start.

Results Sunday of a secret ballot showed that 49.34 percent of the 10,000 delegates wanted to keep the name Mr. Chirac had given their movement in 1976, while 49.94 percent wanted to change it to Rally for France. The remainder wanted to drop everything but just plain Rally from the name.

With the vote so close, Philippe Seguin, who became leader of the party after its surprise defeat last June by Prime Minister Lionel Jospin's Socialists, decided, "We'll remain the Rally for the Republic."

Mr. Chirac has been in the presidency since 1995 and is constitutionally above politics, but he exercised his prerogative to dissolve Parliament last spring on the recommendation of Prime Minister Alain Juppe. Mr. Juppe believed the coalition then in power could win a new mandate for austerity measures then thought necessary to get France into the common European currency planned for next year.

The misjudgment cost Mr. Juppe both his jobs as prime minister and party leader, and made Mr. Chirac a lame duck forced to share power with Mr. Jospin. Charles Pasqua, a former interior minister who blamed Mr. Chirac and Mr. Juppe for the defeat and is even more skeptical of the common currency project than Mr. Seguin is, pleaded with convention delegates Saturday to change the name to Rally for France to get off to a fresh start.

"If we have to, we'll take another look later," he said Sunday.

The vote against the change was something of a show of confidence in the battered Mr. Chirac, the incarnation for the past 20 years of the movement inspired by the ideals of the leader of the French Resistance during World War II and the founder of the Fifth Republic in 1958, the late General Charles de Gaulle.

Mr. Chirac's brief appearance at the convention Saturday on a giant television screen provoked a standing ovation as he called, in typically Gaullist fashion, for the party to reject "vain quarrels and useless divisions."

De Gaulle himself founded a movement called the Rally of the French People in 1947 to try to transcend the postwar Fourth Republic's fatal flaw, petty party politics, but withdrew himself from the field and dissolved the

movement in 1953. But after a brutal colonial war to keep Algeria led to a constitutional crisis in 1958, de Gaulle returned as first president of the Fifth Republic, which gave rise to a loose movement called the Union for the New Republic. That, in turn, became a political party called the Union for the Defense of the Republic after de Gaulle resigned in 1969, and it became the Rally for the Republic when Mr. Chirac took over as leader.

Whatever the name, the problem of the Gaullist movement today, as commentators like Alain Geneser of the weekly *Journal du Dimanche* have been pointing out, is to make clear to voters what it stands for, and how to fend off inroads from the extreme-right anti-immigration National Front party led by Jean-Marie Le Pen.

With Mr. Chirac, Mr. Jospin and most other European leaders now firmly committed to the common currency project, Mr. Seguin is now saying the Gaullists are for it, too, as long as it encourages economic growth and jobs, exactly what Mr. Jospin and the Socialists say they will insist on.

The Gaullists are fighting Mr. Jospin's proposal to reduce the French working week to 35 hours, from 39, by 2000, but have yet to make clear exactly how they would create jobs if they came to power, with the official unemployment rate now at 12.2 percent.

"There is no miracle recipe for unemployment, no hat trick of measures or plans against it that is worth anything," Mr. Seguin said Sunday, acknowledging the failure of past conservative governments to reduce it.

"In fact, it's the entire economic policy of the country that has to be reoriented to the fight against unemployment."

Victims Decry Italy's Kidnapping Laws

By Celestine Bohlen
New York Times Service

of Sardinia, or Calabria in southern Italy. The other captives slipped away from their abductors.

Defenders of the law note that since its passage, the number of kidnappings has plummeted. In the seven years since the law was passed, there have been 38 kidnappings.

But in recent months, the law — as much as the kidnappers themselves — has become the target of public outrage, as families of victims have denounced what they see as a denial of their right to rescue their own.

Two recent cases have served to illustrate the critics' point. In the case of Silvia Melis, a 28-year-old Sardinian woman held by kidnappers for nine months, her seemingly miraculous escape from her captors in November turned out to have been arranged by a local businessman who secretly paid the kidnappers more than \$800,000 in ransom; her father had gathered most of the money.

But under Italian law, families are barred from paying ransom or negotiating with kidnappers, except with the permission of a prosecutor and the cooperation of the police. In fact, the 1991 law, unique to Italy, goes one step further and imposes an automatic freeze on assets belonging to the kidnapped victim's family.

The idea was to discourage Italy's kidnapping gang, whose exploits included the 1973 abduction of John Paul Getty 3d and the kidnapping in 1992 of an 8-year-old Egyptian boy, Farouk Kassam. In both cases, parts of their ears were sliced off.

No other Western European country in modern times has experienced a wave of kidnappings that has engulfed Italy since the late 1960s. From 1969 to 1998, 691 kidnappings were reported, and 80 victims have been killed. Of the 479 hostages released, ransom was paid for 372 — mostly to organized crime groups based either on the island

In the letter sent on Jan. 25 to Channel 5 newscaster Enrico Menconi, Mr. Sofianini wrote that he hoped that its horrifying contents would "make happen whatever my family needs to pay the ransom."

"If this doesn't end soon," Mr. Sofianini wrote, "this will be the last cry for help from an innocent man who has been condemned to death by the hypocritical attitudes of one part of society."

"I am asking my sons to pay for my rescue — not the Italian government, and still less, any Italian prosecutors," Mr. Sofianini wrote.

In the meantime, the Sofianini family tried to bypass the police last December by opening direct contact with the kidnappers. But their effort to hand over \$2.3 million was foiled by the sluggish Italian mail system, which delivered the kidnappers' instructions for the drop point three days after the money was to have been picked up.

(Similarly, the letter sent to Mr. Menconi took two weeks to deliver — a detail that has caused the Italian Postal Ministry considerable embarrassment.)

With Mr. Sofianini's fate still unknown, the pressure for an amendment to Italy's anti-kidnapping law is growing.

"The law should be abolished, immediately," Tito Melis, the father of Silvia Melis, said recently. "If there had not been any such law, Silvia would have been freed at least four months earlier."

To date, most top Italian judicial figures have defended the law, noting that it has brought down the number of kidnappings and allows for a flexible response.

Albright Rebukes Mideast Leaders

By Steven Erlanger
New York Times Service

Iran is that we have felt that they had not been helpful with the Middle East peace process," she said.

"Clearly what we are witnessing is a discussion of ideas in the Iranian government," Mrs. Albright said. "As we've all said, it is intriguing — some of it is encouraging — but again I think we're going to have to watch this closely and be open" to what is being said by Iran.]

But what came across strongest on Sunday was Mrs. Albright's impatience with the hesitant response of both the Israelis and Palestinians to the U.S. call for courage and leadership.

In four hours of conversation Saturday night with Mr. Netanyahu and two hours in Ramallah, in the West Bank, on Sunday with Mr. Arafat, Mrs. Albright was even more direct, a senior U.S. official said.

"With both of them, she said in different ways that 'I'm sick and tired of both of you putting forward a huge stack of complaints about each other, because we're really at a time for fundamental decisions to be taken,'" the official said.

Her talks were intended to follow up on President Bill Clinton's discussions in Washington with Mr. Netanyahu on Jan. 20 and Mr. Arafat on Jan. 22. The United States is proposing a phased withdrawal of Israeli troops from a portion of the West Bank in parallel with specific Palestinian moves to improve their fight against terrorism and their security cooperation with Israel.

The two leaders returned home demanding detailed changes in the U.S. plan.

Asked if she obtained "good answers" on this trip to the Middle East, Mrs. Albright said astringently, "I received some answers." But she added

Big Setback To Karadzic Power Base

Bosnian Serb Leaders Win Vote To Shift Capital

By Colin Soloway
Washington Post Service

BANJA LUKA, Bosnia-Herzegovina — In the first major decision of the new Bosnian Serb government, Parliament voted to relocate the capital of the republic to Banja Luka from Pale.

The vote Saturday was a fresh blow to Radovan Karadzic, the wartime Bosnian Serb leader who has been indicted as a war criminal. For the past six years, Mr. Karadzic had ruled the Serb republic — which, with the Muslim-Croat federation, comprises Bosnia — unchallenged from the mountain village of Pale, just outside Sarajevo.

Western diplomats and lawmakers praised the vote as a move to wrest not just the levers of power but the premises of government away from Mr. Karadzic and his hard-line nationalist supporters in Pale. It was a major victory for backers of the Bosnian Serb president, Biljana Plavsic and her new prime minister, Milorad Dodik.

Mr. Dodik, a Western-backed reformer welcomed by the international community, took office Saturday with his cabinet. Mr. Dodik addressed Parliament, expressing support for the Dayton peace accord and predicting results from his government within two months.

The vote was a culmination of a year-long power struggle between Mrs. Plavsic and her predecessor, Mr. Karadzic, whom she has accused of corruption and of impoverishing and endangering Bosnia's Serbs with his resistance to the Dayton accord.

The move also will be a vindication for Serbs in northwestern Bosnia who have long resented their perceived neglect by Mr. Karadzic's Serbian Democratic Party in Pale. Banja Luka, with a population of 150,000 and an industrial base, has languished since the war ended in 1995. The party's refusal to hand over Mr. Karadzic and other war crimes suspects has cut off Banja Luka and other Serbian areas from international aid.

The United States has said it might provide Mr. Dodik's government with up to \$5 million each month, in response to a plea for more aid from Carlos Westendorp, the international community's top representative in Bosnia. Of the 83 seats in Parliament, two hard-line parties hold 39.

that the two men "are doing what President Clinton asked them to do — to think through the ideas he presented to them — and they are increasingly realizing that they must make the hard decisions."

But after these meetings, U.S. officials said, significant differences still remain over the size, timing and quality of the Israeli withdrawal, as well as over how to judge Palestinian security efforts and cooperation at each phase.

Both sides also disagree over whether a later withdrawal, as called for in the Oslo accords, should take place during new talks on a final settlement between the parties. Israel argues that it would not be necessary, while Mr. Arafat and the United States insist that Oslo be fulfilled.

But in a sign of some progress, Israel is now considering a first withdrawal that would total about 15 percent of West Bank land, officials say — less than what Mr. Arafat wants but more than Mr. Netanyahu appeared willing to offer.

Mrs. Albright stressed on Sunday that the two main challenges of her Middle East tour — to ensure that President Saddam Hussein of Iraq complies with United Nations weapons inspections and to promote progress on the Palestinian-Israeli track — were separate.

Her statements promising U.S. retaliation if Israel is attacked also seemed intended to reassure Israelis that they would not be victimized by U.S. policy against Iraq.

"Of course, there may be differences between us on how to pursue Middle East



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• An excellent understanding of data base management (use one), Microsoft Windows and have also developed web sites on the Internet. You will manage our existing 6000 member data base and will develop a real estate information data base. Responsibility involves ensuring efficiency and effectiveness of our Chapters in 54 countries, and management of the Federation's web site. You must be fully bilingual French/English - Spanish/ German is helpful.

• A good knowledge of Microsoft Windows and Microsoft Internet Explorer.

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INTERNATIONAL

Robust Economy Gets Credit for U.S. Budget Surpluses

By Clay Chandler
Washington Post Service

WASHINGTON — In the budget that he will submit to Congress on Monday, President Bill Clinton will propose a package of tax and spending measures he estimates will generate a \$9.5 billion surplus in fiscal 1999, and nearly \$1 trillion in surpluses over the next decade.

The proposed surplus, if realized, would mark the first time that the federal government has taken in more annually than it has spent since 1969, when a hefty 10 percent income tax surcharge imposed by Lyndon Johnson to finance the Vietnam War yielded a modest bonus of \$3.2 billion.

The surplus would reverse the trend of three decades in which the federal government added nearly \$3.5 trillion in red ink to the national debt, which now stands at \$5.4 trillion. Many budget analysts think that it could signal the end of a period in which ever-larger federal deficits were considered an unhealthy but largely uncontrollable aspect of U.S. economic policy.

Mr. Clinton's budget projects steadily growing surpluses in each of the next 10 years, with a windfall of about \$219 billion in its first five years. In their most recent forecast, analysts at the Congressional Budget Office project comparable surpluses over a five-year period and \$660 billion in excess revenue over 10 years even if there are no changes in current tax and spending policies.

"It's just amazing — a different world," marvels

Gene Sperling, director of Mr. Clinton's National Economic Council. His summary of the new budget outlook: "Surpluses as far as the eye can see."

Members of Congress, too, express astonishment. "Who I came here 20 years ago, we were looking at a totally, absolutely, incredibly different environment," recalled Representative Robert Livingston, the Louisiana Republican who heads the House Appropriations Committee. "We had the Cold War and the Soviet Union aiming missiles at us. Jimmy Carter said we were running out of oil in an energy crisis." He added, "We had inflation, unemployment and high interest rates."

And today? "The Soviet Union doesn't exist," Mr. Livingston said. "Inflation is almost nonexistent, interest rates are at a generational low and the biggest worry for businesses is finding enough skilled labor. There is no energy crisis. We've tackled welfare, crime is on its way down and the stock market has risen to all-time highs. Last year we had the first tax cut in 16 years and, effectively, we've already balanced the budget. It's a whole new America."

How exactly did the United States get here? The answer is complex.

Politicians in Washington are eager to claim credit for leading the economy to the promised land. But budget analysts tend to assign far more significance to the remarkable resurgence of the economy, which has improved federal tax revenue as it lifted the incomes of nation's families and firms.

Experts say, too, that the sudden flood of revenue

has come not just from economic growth, but the structure of that growth, with a disproportionate share of gains flowing to businesses and high-income households taxed at higher rates.

Of course, the full saga of the shrinking budget deficit has a tangled plot line.

In the story told by Republicans, former President Ronald Reagan gets top billing. The giant tax cut was pushed through in 1981 unleashed the century's biggest economic boom, conservatives said.

Republicans who seized control of Congress in 1994 also play a starring role in this version for setting a deadline for a balanced budget — and forcing Mr. Clinton to embrace their goal.

Democrats tell it differently. In their version, the climactic scene is passage of Mr. Clinton's first budget, narrowly enacted in 1993 without a single Republican vote.

To hear Mr. Clinton supporters tell it, that plan, which called for \$500 billion in deficit reduction over five years, promptly led to lower interest rates, brought the bulls charging back to Wall Street and set in motion what Lawrence Summers, a Clinton economist, calls a "virtuous circle" of expanding growth.

"The 1993 budget deal freed up hundreds of billions of dollars for private investment, which grew the economy, which increased revenues, which reduced the deficit and freed up still more for private investment," Mr. Summers said. "It reversed the vicious cycle of previous policies."

Investors, meanwhile, tend to credit another act-

or: the Federal Reserve chairman, Alan Greenspan, whom they praise for his vigilance against inflation and seeming willingness to let the economy grow faster than other economists had thought possible.

Still, whatever the contributions of individual policymakers in balancing the budget, their task was simplified enormously by the unexpectedly robust growth of the U.S. economy this decade.

Historically, the growth of mature industrialized economies like that of the United States has followed an unerring boom-bust pattern known as the business cycle, in which expansion is punctuated every few years by periods of contraction.

Since March 1991, the end of the last recession, the U.S. economy has grown without interruption. If it lasts through the calendar year, this will become the longest peacetime expansion in American history. Growth during this remarkable period has averaged a real annual rate of 2.9 percent. Last week, the federal government announced that in 1997, the economy grew by 3.8 percent.

Unemployment, meanwhile, has fallen to 4.7 percent last year from 7.7 percent in 1991.

Historically, when unemployment has declined to such low levels, inflation has been quick to follow. The fight to tame that rise in prices has generally involved raising interest rates, as well as other policy moves that can precipitate a slump.

For now, however, economists see no signs of inflationary pressure and in the absence of a major external shock, few see reasons that the economic good times should come to an end any time soon.

BRIEFLY

Lebanese Troops Ease Village Siege

BRITEL, Lebanon — The Lebanese Army pressed its march Sunday for Sheikh Sobhi Tufaili but eased a siege of his home village to allow the funeral of his aide killed in an army assault last week.

Heavily armed troops surrounding the anti-Western Shiite cleric's home village of Britel in eastern Lebanon allowed about 10,000 people to hold a funeral for Sheikh Khodr Flays, Sheikh Tufaili's right-hand man.

Angry throngs at the funeral shouted slogans against the pro-Iranian Hezbollah, which recently expelled Sheikh Tufaili. His occupation of a Hezbollah school triggered clashes with the army. (Reuters)

Bonn Urges Tehran To Release German

BONN — Germany urged Iran on Sunday to free a Hamburg businessman sentenced to death by stoning for having sexual relations with a Muslim woman.

Foreign Minister Klaus Kinkel said he and the government were "shocked" by the Tehran court ruling last Monday against 35-year-old Helmut Hofer.

"I urge the Iranian justice authorities to apply humanity and justice," Mr. Kinkel told the newspaper *Bild am Sonntag*. "Let Helmut Hofer go free." (Reuters)

Mexican Drug Ring Infiltrated Probe

MEXICO CITY — A government investigation into the disappearance of scores of people in northern Mexico has been thrown into turmoil by the discovery that narcotics traffickers infiltrated one of their agents into the unit carrying out the inquiry.

Attorney General Jorge Madrazo Cuellar said in an interview that he had been stunned to learn that a federal police officer with ties to traffickers had been assigned to take part in one of the country's most sensitive investigations.

"I lost all confidence in the group," Mr. Madrazo said. He said he intended to appoint new prosecutors and detectives to carry out the investigation. (NYT)



With officials encouraging them, Iraqi civilians shouting anti-American slogans Sunday in Baghdad. (Eric Marlow/Associated Press)

France to Send Envoy to Iraq With Warning

Compiled by Our Staff Correspondents

PARIS — France will send a senior official to Baghdad within 48 hours carrying a warning from President Jacques Chirac of the consequences if Iraq failed to comply with United Nations resolutions, the French Foreign Ministry said.

A ministry statement identified the envoy as Bertrand Dufourcq, the ministry's secretary-general, and said "France thus wants to warn Iraq about the risks of the current situation and to recall the principles of a diplomatic solution that can only be based on Security Council resolutions."

France's intention to send a message to Iraq had been made known Friday after Mr. Chirac spoke by telephone to President Bill Clinton of the United States.

Mr. Chirac told Mr. Clinton that "all options remained open" in dealing with the crisis of Baghdad's refusal to allow UN arms teams to inspect secret sites. But Mr. Chirac's spokeswoman, Catherine Colonna, stressed after the phone call: "Among the possible options, France prefers the diplomatic route."

Interior Minister Jean-Pierre Chevenement, meanwhile, called Sunday for an end to economic sanctions against Iraq and termed statements by the chief UN arms inspector "ridiculous."

His comment signaled dissension in the government in the dispute with Baghdad. Mr. Chevenement, who in 1991 resigned as defense minister rather than take part in the Gulf War against Iraq — called for an end to the confrontation, telling France Info state radio that "Iraq is no longer a military menace" and "it is time to lift this ferocious embargo."

IRAQ: U.S. Set to Use 'Substantial' Force in Weeks, Albright Warns

1990 invasion of Kuwait.

Mrs. Albright said the United States generally supported expanding the program but would not commit itself to any magnitude.

The UN secretary-general, Kofi Annan, said over the weekend that he would present a report proposing improvements in Iraq's oil-for-food deal to the Security Council.

"We will be examining Kofi Annan's proposal specifically," Mrs. Albright said in Jerusalem before heading to the Gulf. "In a general way, we do support an expansion of the oil-for-food program."

Mr. Annan declined to give details about his report other than to say it would propose improvements for the Iraqi people. UN sources said Mr. Annan was expected to recommend increasing humanitarian supplies for Iraq by more than \$2 billion.

Later in the week Mrs. Albright will visit Saudi Arabia, the most influential Gulf Arab state, and Bahrain — headquarters of the U.S. 5th Fleet, which patrols the region. Bahrain assumed a UN Security Council seat this year as a nonpermanent member.

"If they do threaten their neighbors or do damage to them, our response to it will be swift and forceful," she said after talks with the Palestinian leader Yasser Arafat and Prime Minister Benjamin Netanyahu of Israel.

As fears of a military showdown rose, more countries added their weight to diplomatic efforts.

Foreign Minister Ismail Cem of Turkey, whose country backed the U.S.-led military coalition that drove Iraq from Kuwait, said he was going to Baghdad to seek a peaceful settlement.

"A military strike seems imminent,"

"If diplomacy runs out, we have reserved the right to use force, and if we do so it will be substantial." Mrs. Albright said in Jerusalem.

Washington has about 30 warships and 300 aircraft in the Gulf and says it is ready, with or without international approval, to attack command centers and bases as well as sites suspected to house chemical or biological arms.

Mrs. Albright warned Iraq if it would face a forceful U.S. response if it attacked countries in the region. Iraq fired Scud missiles at Israel and Saudi Arabia in the 1991 Gulf War over Kuwait.

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"A military strike seems imminent,"

Continued from Page 1

asked Ahmad to tell him what he really wanted.

"One egg, please," Ahmad whispered in the doctor's ear.

Despite the oil embargo, Mr. Saddam seems stronger than ever. In two weeks of interviews here with Iraqis, United Nations officials, diplomats and Asian and European business executives, many say they believe that he may even be picking up political support, especially among the young who have been well indoctrinated in the schools. Mr. Saddam has been in full control for nearly 20 years, and for a decade before that was a rising star in the Arab Ba'ath Socialist Party, which came to power in 1968.

Despite the oil embargo, or perhaps because of it, many Iraqis publicly at least, direct their anger at the United States, rather than at their president.

"Do you think we wanted to invade Kuwait?" one unusually outspoken Iraqi remarked. Then he added, "But was that enough that our children should be dying even now?"

It is all but impossible to gauge public opinion, though, because Iraqis seem to be under scrutiny at all times by a vast network of security agencies with outposts in most neighborhoods. Mr. Saddam has been in full control for nearly 20 years, and for a decade before that was a rising star in the Arab Ba'ath Socialist Party, which came to power in 1968.

Mr. Saddam rules by a potent combination of terror and secrecy. He and his party apparatus permit no dissent. In 1995, he held a referendum on his presidency. Those who watched the process say that in the days preceding the vote, Ba'ath Party workers combed every neighborhood, going door to door to ask if the household had ration cards, a subtle message that the family's subsidized food might be jeopardized if adults failed to vote. Rumors were deliberately circulated about the sophisticated methods the government had for detecting negative ballots, even if cast in secret.

As television cameras moved in on the day of the vote, people were seen holding their ballots aloft and chanting, "Naam, naam, Saddam!" or, "Yes, yes, for Saddam!" The president won 99.95 percent of the vote.

Mr. Saddam is rarely seen in public. Most of his official appearances are on

government television, and no opposing view comes from satellite television, which is forbidden. It is said that probably no more than a dozen people know where he is at any given time. UN weapons inspectors have been told that he moves from palace to palace from night to night.

Ambassadors based in Baghdad never meet the president — with the exception of Russians. Envys present their credentials to a vice president or other official. Neither Richard Butler, the chief UN arms inspector, nor his predecessor, Rolf Ekeus, a Swedish diplomat who is now ambassador to Washington, were ever given the opportunity to talk directly with Mr. Saddam.

The economic collapse of Iraq has gutted the intelligentsia, once one of the most respected in the Arab world. If any sector of society outside the military might have formed a political opposition, the Iraqi middle class would have been the only hope, a diplomat said.

"It has now been totally destroyed," this envoy said of the middle class. It is a sentiment heard everywhere in Iraq.

An Iraqi professional now earns a base pay of 3,000 dinars a month, or about \$2 at the unofficial exchange rate, for government work, which includes hospitals and universities. A kilogram of chicken costs 1,100 dinars; eggs are about 1,200 dinars a dozen. Fresh fruit and vegetables are priced beyond the reach of most families.

Years before the embargo was even imposed, though, Mr. Saddam's government had made economic policy choices that have now come back to haunt all 22 million Iraqis. From 1968 until the late 1980s, his Ba'ath Party gave government a large role in the economy and relegated the private sector largely to minor industries, crafts and petty trade.

CLINTON: Pressure Appears to Ease, Despite New Allegations

Continued from Page 1

peaked Mr. Starr's actions to reconsider the workings of the office of independent counsel.

"I think we've got to look at the special prosecutor law and make changes in it," he said.

Mr. Starr spoke briefly to reporters Saturday, saying only that he was "moving forward trying to gather the facts."

Although the story has taken many shifts since it erupted Jan. 21, the immediate pressure on Mr. Clinton appeared substantially less at the end of the week than it had at the beginning, when Ms. Lewinsky was expected to appear before a grand jury newly authorized to hear the allegations against Mr. Clinton.

"Does anybody do any real work there?" asked Mr. Saunders, a manager at one of a half-dozen Caterpillar plants in the area. "This is kind of like Chappaquiddick to us," he said, referring to the 1969 accident involving Senator Edward Kennedy of Massachusetts, in which he drove off a bridge and a female aide who was with him drowned. "It's sad for the

lawyers. But he said that if Mr. Clinton's lawyers filed a motion to dismiss the grand jury investigation, "We would certainly look at that motion, and assess whether or not we wanted to join it," he said.

The New York Times reported that despite an intensive search lasting three years, lawyers for Mrs. Jones still have not been able to find any credible new witnesses willing to testify under oath that they had had a sexual relationship with Mr. Clinton. It quoted witnesses and lawyers involved in the Jones case.

The Times said that although private investigators had crisscrossed the country interviewing women linked by rumor to the president, at least five of the women had denied the rumors to pretrial depositions.

The first lady, meanwhile, was in Davos, Switzerland, for the annual economic forum, as were Thomas McLarty, a presidential aide, and Mr. Jordan.

Herald Tribune

INTERNATIONAL
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Unite Against Saddam

By rights, France, Russia, China, Turkey and other more or less reluctant partners of the United States in thwarting Iraq's chemical and biological weapons ambitions can no more want to see weapons of mass destruction unleashed in the unsettled Gulf region than does the United States.

On the national security merits, they have every reason to be at the American side. Yet of those who have stalled, only France has recovered good sense as the Iraq crisis worsens — and it only in part.

Secretary of State Madeleine Albright was able to draw her French counterpart from a position excluding the use of force — that is, from a position practically inviting Saddam Hussein to go chemical and biological — to a position leaving the use of force as an option if diplomacy fails. An option for others: France, in a weakening decision, apparently will not take part in any fighting itself.

It is suggested that the French and, separately, the Russians have been supplying a diplomatic alternative while the Americans show an ever stronger military readiness in order to make the diplomacy work. Announcing that the United States is informing its allies that it is moving toward force alone if necessary, not soliciting the approval of its allies, is part of this readiness; another part is pushing Paris and Moscow to deliver a real solution to the inspection imperative. What is going on is a version of the good cop, bad cop routine.

The last time the Russians and French were out, however, when Saddam Hussein was challenging the United Nations inspection regime in November, he made fools of them. Having promised them to let the Americans back into the inspector corps,

Saddam Hussein was soon making an even more radical challenge of the whole UN inspector system.

France has shown some recognition of its humiliation. Russia seems to be continuing its self-indulgent campaign to appease Saddam Hussein and to win back in Iraq a semblance of the former Soviet Union's broad diplomatic role.

The overall record must mute any current hopes for a diplomatic solution, but the pursuit of one is essential to widen support for the potential use of force as an unavoidable last resort.

The Russians and even the French remain skeptical of a military solution, especially of one confined to attacks from the air. Who is not skeptical? The deadly stuff is too easy to hide, and Saddam Hussein will win some sympathy for the intervention and for Iraq's casualties.

But, as Russia and France should know better than anyone, Saddam Hussein has a fundamental contempt for diplomacy. For him it is useful only as a ruse.

Force applied deliberately from the air, if it cannot assuredly topple the Iraqi dictator, can at the least destroy some of his military facilities and put his regime under heavy new political stresses. These are no mean achievements.

A special situation exists in Iraq. The gravity of letting a proven and unconstructed aggressor defy international strictures and wield frightening weapons that threaten opposing armies and civilian populations alike can scarcely be exaggerated.

This specter is what makes it necessary for law-respecting nations to unite to the extent possible and proceed against Saddam Hussein.

—THE WASHINGTON POST.

The Law Must Prevail

The United States has arrived at one of those peculiar moments when what is good for the immediate political interests of a sitting president is harmful to the political culture of the nation. We have seen the same split so much more momentous level with Lyndon Johnson and the Vietnam War, and a few years later with Richard Nixon and Watergate.

The defining crisis of this president seems frail in comparison, because of its tawdriness. But on the level of political morality and public disengagement and the president's presumed duty to embody the rule of law in a society founded on the sanctity of law, there are similarities.

Once again, Americans are being invited to suspend judgment about the personality and character of a president in the interest of stability, prosperity and orderly succession.

Based on the polls' latest snapshot of public opinion, a heavy majority of Americans have reached a provisional decision to muddle through with a leader they do not believe rather than go through the trauma of resignation or removal. It may be a wise choice, but it is an ineffably saddening one. To face it affects the national psyche because Americans place such a high value on admiration of the president.

Aside from people with White House ties, there are few public figures — and few Democrats in Congress — willing to argue spontaneously for President Bill Clinton. The dilemma of the nation's feminist organizations reflects that of the electorate at large. Because Mr. Clinton is an effective advocate of their legislative needs, the women's groups are willing to put some of their other values into hibernation for a few years.

This emerging consensus for an arranged, co-lusions stability based on the realpolitik pragmatism of consenting adults could be shattered by sexual revelations that repel Middle America or by definitive evidence that Mr. Clinton violated the law. But for the moment it is the foundation of Hillary Clinton's bluntly effective spin operation.

Her lumping of all presidential critics into a right-wing conspiracy is, of course, demagogic, even allowing for book-packagers and other unwholesome hangers-on around Monica Lewinsky, Linda Tripp and Paula Jones. The historic arc of this presidency has been of people starting out as supporters on issues like health care and free trade and then gradually becoming disenchanted.

It is not enlistment in a cabal that

turns them but rather revulsion at one or another serial embarrassment having to do with fugitive contributors or the battering of White House invitations or financial windfalls for disgraced couriers or, in this case, allegations of mysteriously unpresidential associations.

Like Tom and Daisy Buchanan in "The Great Gatsby," the Clintons sometimes operate with a "vast carelessness" that leaves wreckage behind. Since 1992, their political organization has had an announced policy of dismantling the reputation of any woman linked to the president. Most of these women, like Ms. Lewinsky, have vulnerabilities that make them fairly easy to undermine.

That, in turn, sets up the next wave of defense, which is to no-comment even the most compromising disclosures and to defame any questioner as a tool of the fictional conspiracy.

On Thursday, this approach created the odd spectacle of a president sending out the first lady to announce those areas of his Oval Office stewardship about which he may be asked and those which are out of bounds. Mike McCurry conceded that "ultimately people want to hear from the president on this," but Mr. Clinton's lawyers have buried the political advisers who wanted the president to talk.

A muzzled president is an embarrassment for any White House, but Clinton advisers are betting that Kenneth Starr will fill the silence by blowing himself up. Because he does come with political baggage, Mr. Starr is at his testing time. He has moved slowly and expensively, but events could vindicate the earlier part of his inquiry.

Where he has no latitude and little remaining time is on the question of whether he can build a valid case around Ms. Lewinsky. Just as the nation needs a president who can give fuller answers, it needs for Mr. Starr to decide the threshold questions about Ms. Lewinsky's credibility and immaturity status and get to the next step in his case, if he has one.

For the time being, there is no question about Mr. Starr's legal mandate. It was signed by Attorney General Janet Reno, whose credentials as the president's legal protector are beyond question.

But this is a case where the public needs to see the legal process moving toward resolution. After all, in times devoid of heroes, the law is what the republic is meant to cling to. It must move toward truths that seem unobtainable from other quarters.

—THE NEW YORK TIMES.

The Only Option May Be Bombs and More Bombs

By Thomas L. Friedman

ZURICH — Washington faces a Hamlet-esque choice: 2-h or not 2-h, that is the question. Does the Clinton administration have an option 2-h? Everything hinges on that.

The administration has three basic options in dealing with Iraq.

Option 1 is to finish the 1991 Gulf War, which stopped short of removing Saddam Hussein. In this option, the United States would invade Iraq, occupy Baghdad, unseat Saddam, establish a new Iraqi regime and rid Iraq of all its weapons of mass destruction and the equipment for rebuilding them.

This is the most sure-fire way to eliminate the threat posed by Saddam to his neighbors and his own people.

Option 1 is also the most costly way.

America would have few allies for an invasion, although the Iraqi people would probably hail it as a liberation. For now, there is no support in the administration or Congress.

Option 3 is to acknowledge that neither the United States nor its allies have the stomach for any occupation of Iraq, but also acknowledge that the UN weapons monitoring regime in Iraq now has gaping holes in it.

With all of the palaces and special sites being unilaterally declared off limits to the United Nations by Saddam, no one can be sure anymore that UN inspectors are preventing Iraq from building weapons of mass destruction and the missiles to deliver them.

Therefore, option 3 is: When you've got lemons, make lemonade. Approach Russia and France and tell them that the United States is ready to lift all economic sanctions on Iraq immediately if the two of them can persuade Saddam to accept a total, and permanent, weapons inspection regime.

And if that does not work, then simply lift the economic sanctions on Iraq anyway (they are only hurting the Iraqi people, so the argument goes).

Accept that the UN weapons monitoring regime is over, and deal with Saddam henceforth through conventional deterrence. That is, make clear to him that any use of weapons of mass destruction would result in Iraq being vaporized.

Deterrence managed to keep the Soviet Union at bay for 45 years of Cold

War, and Moscow had 30,000 nukes. The risk is that a rearmed Saddam, who managed to make the world blink, would be a highly destabilizing force in the region, even if he was deterred from using his worst weapons.

In any event, it seems that America does not have the military will for option 1 and does not have the political will for option 3 — which would require a huge climb-down from all of the administration's rhetoric that Saddam must go before sanctions are lifted.

So we are left with option 2 — bombing Iraq in order to knock out as much of Saddam's weapons-making capability as possible.

The problem is that, if he survives, he will respond by ordering the UN weapons inspectors permanently out of Iraq, and Russia and the Arabs could announce that since America has unilaterally bombed Iraq, outside the UN consensus, they will unilaterally reopen their economic ties with Baghdad.

It would just be a matter of time then before Saddam would be back building new weapons — only without the nosy UN inspectors around, and with fresh money pouring in.

Then what does the United States do? Does Washington have an option 2-h? Does it have any way to ensure that after a massive bombing of Iraq it can maintain its strategic objective of preventing Saddam from acquiring weapons of mass destruction — without having to bomb him again and again, which would have serious diplomatic risks for U.S. diplomacy in the Middle East and at the United Nations?

Some U.S. officials talk about making all of Iraq a no-fly zone as option 2-h. That might hurt Saddam. But what if France and Russia don't play along?

I don't believe there is an option 2-b. There is only option 2 — bombing Iraq, over and over and over again, until either Saddam says uncle, and agrees to let the United Nations back in on U.S. terms, or the Iraqi people eliminate him.

So, 2-b or not 2-b? There is oo question. There is no 2-b. There is only option 2, over and over and over again until Saddam relents. Given the problems with the other options, America may have no choice but to go down this road. Once it does, however, it better have the stomach to stay the course.

The New York Times

It's Time for Albright to Take Over American Foreign Policy

By Jim Hoagland

WASHINGTON — For the second time in a quarter-century, U.S. leadership in world affairs risks being undermined by domestic political furor.

But legal vulnerability for a president need not cause demoralizing American weakness in foreign policy.

This in fact is the moment for Big Diplomacy — for a focused and concerted effort to tie together the major strands of U.S. foreign policy into a more cohesive whole.

A combination of circumstance and her own outgoing, highly visible persona make Secretary of State Madeleine Albright the key figure in Bill Clinton's cabinet. She has a golden opportunity to put her stamp on U.S. foreign policy.

That wish was a guiding star as she went about assembling a highly respected and energetic team on the State Department's seventh floor. But until now her role has been to articulate and explain policy more than to run or originate it.

The debilitating domestic political struggle that America

now faces changes the equation. President Clinton has demonstrated that he will fight as hard and as long as he must to stay in office. His attention and energy will flow away from a foreign policy arena that never deeply engaged him anyway. He is now likely to need the foreign affairs surrogate he has always pursued.

In his first term, he resisted turning over full authority for foreign policy to any other single figure. His cabinet-level choices in this area showed that he did not want a Henry Kissinger, a figure whose own prominence and political skills could force his hand. (Bosnia, a perceived basket case, was a partial exception.)

Mr. Clinton chose Mrs. Albright partly as a matter of history, to name the first woman secretary of state. He was also enormously impressed, with her clear, punchy explanations of U.S. policy in television interviews. His comfort level with her as someone who

would not spring great innovations on him or dissent publicly if her advice was not heeded was said to be high.

But with his predicament threatening to create a vacuum at the top and several major foreign problems coming to a head, quiet teamwork and interagency consultation are ought to still doubt about U.S. engagement and purpose. The opportunity — and need — for a larger, more dominant role for the State Department is now there for Mrs. Albright to seize.

Administration insiders and some diplomats in Washington concluded in recent weeks that she was determined to erase the image of stumbling ineffectiveness that the November diplomacy over Iraq created.

A key example: As the Asia monetary crisis unfolded, senior State Department officials became concerned that the Treasury Department was

making decisions and pronouncements about Asia with

minimal input from, or credit to, State and the Pentagon.

An early Treasury decision soon brought Thailand left a long-time U.S. ally stunned and resentful. Foggy Bottom was left to pick up the pieces. Similarly, Treasury called the shots on the rapidly moving crises in Indonesia and South Korea and informed State after the fact that Mr. Clinton had not delegated on foreign affairs, had more pressing business elsewhere. He did not appear before the cameras.

One of the clearest signs of departmental friction is often the sudden issuing of public assurances that two departments have never worked more closely. At an unusual meeting with four Washington columnists on Jan. 23, Mrs. Albright and Treasury Secretary Robert Rubin appeared jointly to emphasize how smoothly and intensely their fiefdoms had

operated before the cameras.

A rival once described Mrs. Albright as "bulletproof" in her job, in part because of her role as the first woman secretary of state. That seems an understatement today. Equally important, she has been hiding her time, looking for the right moment to hear her views on Iraq, Iran, Europe and Russia into viable policies.

An enhanced role for her will work only if Mr. Clinton is prepared at last to support fully a strong secretary of state. The demands of history and his own problems may give him little choice.

The Washington Post

In China, a Call for Democracy From Inside the Party

By Wei Jingsheng and Liu Qing

NEW YORK — The Washington Post carried a report (*IHT, Jan. 12*) about a document being distributed in China by Fang Jue, a businessman and former midlevel government official. "China Needs a New Transformation — Program Proposals of the Democratic Faction" is the document's title.

It carries only Mr. Fang's signature, but Chinese-language newspapers in Hong Kong and Taiwan have recognized its political importance and published it in its entirety.

We were among the first people outside China to have access to this groundbreaking policy statement, and we have knowledge of the circumstances in which it was produced and released.

We are convinced of its significance and urge the international community to pay close attention to this major political signal and what it represents.

Fang Jue is a former vice director of the planning commission in Fuzhou. He insists (and we believe) that this policy statement does not come from him alone but represents the thinking of a larger group of mid- and higher-level government officials. The document is clearly the mature product of a long period of collective effort.

We were among the first people outside China to have access to this groundbreaking policy statement, and we have knowledge of the circumstances in which it was produced and released.

Mr. Fang says it reflects the political views of a new generation of government officials in their 40s and 50s, views that differ dramatically from those held by the Communist Party veterans in their 70s and 80s who hold key leadership positions.

To understand the deeper

realities of Chinese politics, one must look beyond those in senior government and party posts and pay attention to the young and middle-generation officials who are dissatisfied with the status quo.

We regard this document as a direct challenge to conservative forces in the party leadership.

According to Mr. Fang and others, the statement has already been distributed to members of the party Central Committee. It will be hard for the members to ignore. Never before in China has a document advocating democratic reform come from within the ranks of the Communist Party.

In the past, calls for political reform have arisen only from dissidents and grassroots movements.

To understand the deeper

realities of Chinese politics, one must look beyond those in senior government and party posts and pay attention to the young and middle-generation officials who are dissatisfied with the status quo.

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The timing of the document's release is also important. Since the death of Deng Xiaoping last February, no one with the political

power

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HEALTH/SCIENCE

TOMORROW'S
SIGHT

How to Get Ready For Menopause Years

Coping With Early Symptoms

By Jane E. Brody
New York Times Service

NEW YORK — I was in my mid-40s and still menstruating regularly when my gynecologist suggested that I start taking estrogen. But I thought he was jumping the gun since I would probably not enter menopause for five years.

Now that I have a better understanding of the perimenopause, the years leading up to a near-shutdown of ovarian function, I can see his point, albeit belatedly. Menopause is a process, not a discrete event. Ovaries do not stop working abruptly unless they are shut down by chemotherapy or surgical removal. Rather, there is a gradual decline in hormone production over about 15 years, a decline that can produce sometimes mysterious symptoms and set the stage for serious health problems later.

Millions of women, those between the ages of 35 and the early 50s, are now in their perimenopause, and a better understanding of its common symptoms and ways to cope with them can make a tremendous difference in the quality of these women's lives.

Estrogen production usually starts declining gradually when a woman is in her mid-30s; by the mid-40s, she may begin to experience clear symptoms of estrogen deficiency. Her menstrual periods may become somewhat irregular — shorter or longer, lighter or heavier — or she may experience premenstrual syndrome, menstrual cramps or headaches that are showing up for the first time or worse than in the past. Hot flashes may become bothersome during the day, and night sweats may disrupt her sleep, resulting in increased irritability, fatigue and difficulty concentrating.

But the symptoms of perimenopause are often more subtle. According to Dr. Nancy Lee Teaff and Kim Wright Wiley, authors of "Perimenopause: Preparing for the Change" (Prima, 1996), "When they first begin to appear, perimenopausal symptoms may seem unrelated to each other, and women often treat each problem individually, not seeing the connection until years later."

Among the possible symptoms are insomnia, difficulty concentrating, poor memory, reduced stamina, itchy or dry skin, wrinkling, urinary incontinence or frequency, vaginal dryness, headaches, declining libido and mood swings.

"A woman may say, 'I'm falling apart,' failing to recognize that she has only one condition, perimenopause, that is manifesting itself in many ways," Dr. Teaff and Ms. Wiley wrote.

At the same time, other hidden changes may be taking place that can increase a woman's risk of future health problems. High levels of estrogen during a woman's childbearing years protect against heart disease, which is why women rarely develop it before they turn 50. Estrogen helps raise the blood levels of the "good" cholesterol, HDL, which counters arterial clogging. It also maintains the elasticity of blood vessels and diminishes the tendency of the blood to form clots.

In the book "Perimenopause: Changes in a Woman's Health After 35" (New Harbinger, 1997), Drs. James E. Huston and L. Darlene Lanka point out that heart disease is the leading killer of women 50 to 75 years old, claiming five times as many lives as breast cancer.

Estrogen also helps maintain bone density and ward off the later development of osteoporosis. Few women realize that they begin to lose bone in

Menopause Timetable

Women may enter menopause earlier than they realize. Estrogen levels usually drop before menopausal symptoms are seen. Below, the typical ages for various symptoms.

SYMPOTM	AGE - 35	40	45	50	55	60	65	70
Dropping estrogen levels	●	—	—	—	—	—	—	—
Menstrual irregularity	○	—	—	—	—	—	—	—
Mood swings	○	—	—	—	—	—	—	—
Loss of concentration	○	—	—	—	—	—	—	—
Hot flashes	○	—	—	—	—	—	—	—
Vaginal dryness	○	—	—	—	—	—	—	—
Last period	○	—	—	—	—	—	—	—
Osteoporosis	○	—	—	—	—	—	—	—
Heart disease	○	—	—	—	—	—	—	—

Sources: "Perimenopause: Preparing for the Change" by Dr. Nancy Lee Teaff and Kim Wright Wiley (Prima Publishing, 1996); "Perimenopause: Changes in Women's Health After 35" by Drs. James E. Huston and L. Darlene Lanka (New Harbinger, 1997).

The New York Times

their 30s; the loss merely accelerates at menopause if estrogen is not taken along with an adequate amount of calcium through food or supplements.

"During the approximately 15 years of perimenopause, you have a good shot at averting the adverse changes these two conditions can wreak on your body later in life," Drs. Huston and Lanka said.

Dr. Teaff recommends that perimenopausal women who are experiencing symptoms have their estrogen level tested during the second, third or fourth days of the menstrual cycle. If symptoms include changes in menstrual patterns or hot flashes, another test for FSH (follicle-stimulating hormone, produced by the pituitary), should be done on blood drawn during the first six days of the menstrual cycle and repeated the next month.

T

he would also be a good idea at this time to have a base-line bone density test, as well as a test for total cholesterol and its various fractions. In fact, while you are at it, the perimenopause is a good time to undergo a complete physical, including a

mammogram and electrocardiogram.

As ovarian function slowly declines, muscle mass may begin to wane, accompanied by a rise in body fat and a gradual thickening around the waist and abdomen. You can minimize these changes by adhering to a diet low in fat and rich in vegetables, fruit and whole grain foods, along with moderate amounts of lean protein. Do not forget low-fat and nonfat dairy products; they are your best sources of calcium. A quart of skim milk or its equivalent can supply a perimenopausal woman's daily calcium requirement.

Regular exercise, including aerobic, muscle-building and flexibility-enhancing activities, are vital to countering the physical and emotional effects of declining levels of estrogen.

Then there is hormone replacement, which a growing number of gynecologists believe should begin years before a woman ceases to have regular menstrual periods. The most common, estrogen and progestin in a pill, is not the only regimen. If you are troubled by a loss of sexual desire, a testosterone supplement may restore your libido.

Multiple Sclerosis: New Treatments?

By Gina Kolata
New York Times Service

acting section chief at the National Institute of Neurological Disorders and Stroke.

Dr. Martin said the loss of myelin, or demyelination, was considered the hallmark of multiple sclerosis. "Every textbook article starts by saying that the most important demyelinating disease is multiple sclerosis," Dr. Martin said, and that it is only the myelin that is damaged, while the nerve cells are unharmed. He also said the notion that the disease also involves the death of huge numbers of nerve cells "would change our view dramatically."

Other experts talked of the possibilities for seeking new treatment.

"This isn't just a new pathological finding," said Dr. Stephen G. Waxman, chairman of the neurology department at the Yale University School of Medicine and director of the Paralyzed Veterans of America Neuroscience Research Center at Yale. "It puts the disease in a totally different light and it also gives us a new target as we search for therapies."

And that, he said, is important because multiple sclerosis is so common and so disabling. About 250,000 to 300,000 Americans have the disease, according to the National Multiple Sclerosis Society. Patients with multiple sclerosis suffer extreme fatigue and can have slurred speech, difficulty walking, problems controlling their bladders and bowels, difficulty thinking and reasoning and, in extreme cases, complete paralysis.

THE disease typically begins when patients are age 20 to 40 and progresses over years or decades. "It strikes right at the heart of productive life," Dr. Waxman said.

Three drugs that are thought to inhibit an immune system attack on myelin have been approved for treating multiple sclerosis. But at best they slow the disease's progress.

The hope, of course, is that the new insights into the pathology of multiple sclerosis will lead to new treatments.

"I don't know how quickly this will lead to new therapies but if you don't know what's wrong, you can't fix it," said Dr. Richard Rudick, an author of the new paper and the director of the Mellen Center for Multiple Sclerosis Treatment and Research at the Cleveland Clinic Foundation in Ohio.

Multiple sclerosis experts, including the authors of the study, were taken aback by the findings. "I was surprised," said Dr. Roland Martin, an

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LANGUAGE

Crony Capitalism Takes Many Forms

By William Safire
New York Times Service

WASHINGTON — The Washington Post finds South Korea's economic distress troubling, "particularly its outmoded form of *crony capitalism*."

The Japanese call it *keiretsu*; the Koreans say *chaebol*; the Russian word is *semibankirshchina*, and the Americans label the cozy arrangement among industrialists, bankers, and government officials *crony capitalism*.

No matter what you call it, the system now roiling Asian finances is seen to be a perversion of the open market that is the essence of real, trust-busted, unfettered free enterprise.

If you've been stuck in an emerging-market mutual fund, you want to know: What's the difference between a Japanese *keiretsu* and a Korean *chaebol*? "Family-owned conglomerate" is the meaning of the Korean *chaebol*. Sometimes as many as two dozen companies in varied fields belong to one family; the managers are brothers and cousins and in-laws who steer business one another's way and cover up mistakes. Korea, which was a Japanese colony for most of the first half of this century, took the family-network practice from Japan, where it was called *zaibatsu* until the holding companies were disbanded by General MacArthur at the end of World War II.

After the occupation ended, Japanese business took the conglomeration concept a long step further to *keiretsu*. Family members were replaced by professional managers, directorships interlocked, and the companies owned pieces of one another, making them invulnerable to hostile takeover. At the core of the *keiretsu* is a national bank, facilitating the mutual back-scratching and under-the-indirect-but-tight control of Japan's Ministry of Finance. The result is more self-protective than any corporate clique, and *keiretsu* was a process

much admired in the United States until impregnability lost its luster.

The Russians drew on their czarist history for a term to describe a financial oligarchy with political connections. *Semibankirshchina* means "rule of the seven boyars," and refers to the group of seven nobles who traded favors for influence with the Kievian princes until Czar Peter I broke the boyars' power and abolished their rank in the 17th century.

Today, the boyars are replaced by bankers; seven bankers are said to run the Russian economy. Their system, modeled on that of the U.S., "robber baron" monopolists of the 19th century, is called *semibankirshchina*, "rule of the seven bankers."

"China has not lagged behind these other countries in the practice of cronyism," noted The Wall Street Journal Europe last month. "The word that best encapsulates the whole process — *guanxi*, or connections — is after all Chinese."

That goes for the Chinese, too. "Personal connections" to the recipient of favors for old times' sake. In 1946, when President Harry Truman's poker-playing friends brought disrepute on his administration, the New York Times columnist Arthur Krack wrote that "New Dealers and Conservatives found themselves together in opposition to what a press gallery wit has called a 'government by crony.'"

In the U.S., *keiretsu*, *chaebol*, *guanxi*, *semibankirshchina* — similar in meaning but with subtle cultural shadings of difference — are lumped together under the American phrase now in heavy vogue: *crony capitalism*. New York Times Service

U.S. MUTUAL FUNDS

Figures as of close
of trading Friday, Jan. 3

Asia's Crisis Could Bring a Dividend to U.S. Companies: Open Markets

By Nicholas D. Kristof
New York Times Service

TOKYO — Picture Mom, Dad and the kids in an upper-middle-class Asian family in 10 years' time:

After loading up with cash at the corner Citibank, they drive off to Wal-Mart and fill the trunk of their Ford with the likes of Fritos and Snickers. On the way home, they stop at the American-owned Cineplex to catch the latest American movie, paying with their Visa card.

It may not happen exactly like that, but analysts say that one of the most far-reaching consequences of the Asian crisis will be a greatly expanded American business presence in Asia — particularly in markets such as banking that have historically been sensitive and often closed.

Asia Crisis

Demand for U.S. exports from nations such as South Korea, Hong Kong and Indonesia should help to keep the Asian economy from overreaching. The Asian economy grew 3.8 percent last year, up from 3.5 percent since 1993.

Perhaps even more telling, Mr. Kristof said the PBOC was of great concern to foreign investors because it has not changed interest rates when they meet. Today, the Washington-based Open Market Committee has changed the target for overnight lending between banks by March 1, a quarter-point to 5.5 percent.

Market pressures — principally desperation for cash — and some arm-twisting by the United States and the International Monetary Fund mean that Western companies are gaining entry to previously closed Asian markets.

The timing, from the U.S. point of view, is perfect. Regulations are being eased just as Asian banks, securities firms, even airlines are coming on the market at bargain prices. As a result, while many U.S. companies are hunting now because of the turbulence in Asia, American banks and insurance companies and others could eventually emerge as beneficiaries of the crisis.

"Most of these countries are going to go through a deep and dark tunnel," said Jeffrey Gartner, dean of the Yale School of Management and a former undersecretary of commerce. "But on the other end, there is going to be a sig-

nificantly different Asia, and it will be an Asia in which American firms have achieved much deeper penetration, much greater access."

Still, it will take time for American companies to build their presence, and no one knows how they will do in unfamiliar markets. Moreover, even if they thrive, this may not do much for the American trade accounts or for American employment; for the Fords sold in Asia will be mostly made in Asia, and virtually all of the bank and insurance company staff will be local as well.

One central question is whether an increasing presence will spark antagonism toward the United States and the way it is seen as pushing its commercial interests as the price for helping Asian economies. Washington insists that the main beneficiaries of open markets will be local residents — who will probably get new kinds of insurance

and banks that offer better service. But the changes may be seen as economic colonialism.

"All our stocks and companies are dirt cheap," said Jusuf Wanandi, the head of a research institute in Jakarta. "There may be a tendency for foreigners to take over everything," he added, warning that the perception that this is happening could lead to a "new nationalism."

Among the big beneficiaries as Asian markets open are U.S. financial-service companies, but opportunities are also expected for industrial companies such as General Motors Corp. or large retailers like Wal-Mart Stores Inc. that operate in sectors where barriers to entry have been common. Such companies bring technology and control procedures to the new markets, but they will be hampered by lack of local experience.

"Local firms know the market much better

than foreign firms," said Emilio Antonio, director of the Institute for Economic Policy Research at the University of Asia and the Pacific in the Philippines. "Look at fast food here in the Philippines," he added. "There is a local firm, Jollibee, that went head-to-head with McDonald's, and Jollibee seems to be doing better. So foreign firms have an edge in some areas, but they won't take everything."

Asian countries have been steadily opening their economies in recent years, but they have generally been much more willing to admit McDonald's than Citibank. Governments in the region sometimes own banks and almost always control them, and leaders frequently regard pin-striped American bankers as uncontrollable, unpredictable barbarians at their gates. And now the gates are giving way.

DAEWOO: GM Looks to Buy In

Continued from Page 11

South Korean newspaper, GM would buy back the 50 percent stake for about \$30 million but probably not take control of operations. Daewoo Motor is a core company of Daewoo Group, the No. 4 conglomerate, or *chaebol*, in South Korea.

"We are open to any car manufacturer, including GM," a company spokesman, Lee Jung Sung, said. He said Daewoo Motor was ready to consider any deal "from marketing to allocation of production lines to purchase of DMC domestic and overseas plants."

Daewoo Motor's admission of eagerness for a deal with a foreign investor is symptomatic of the problems affecting South Korean business and industry. The IMF negotiated a \$60 billion bailout plan for the economy in December, but many major companies, with ratios of debt to equity averaging around 3 to 1 or 4 to 1, remain in dire economic straits.

Daewoo Motor, which is not listed on the stock exchange here, faces a severe credit crunch after investing \$1 billion in a new plant on South Korea's west coast, taking over plants in Poland, Romania, Uzbekistan and Ukraine and, in December, purchasing the heavily leveraged Ssangyong Motor Co., a smaller South Korean manufacturer.

GM and Daewoo executives were

said to have met Saturday and may discuss the outcome of their talks as early as this week, according to widespread reports here. Neither GM nor Daewoo would comment on the talks.

Hubert Neiss, the IMF's senior official for Asia, noted that in the past such investment had been difficult because of red tape, which the Fund has said it hopes Seoul will drastically reduce.

In an interview after arriving here Sunday on what he said was a "reassessment of the macroeconomic framework for 1998," Mr. Neiss cautioned against moves to cut domestic interest rates prematurely to try to spark the economy.

"As long as the exchange rate is undervalued and markets are not stabilized, it's difficult to lower interest rates," he said. He said the economy was "moving and that, of course, gives hope," but that chaebol still had to restructure themselves as part of the program.

There have been rising demands in recent days here for easing some of the stringent conditions of the IMF program. Officials have been saying that South Korea is ready for a sharp drop in interest rates in view of the apparent vote of confidence by creditor banks.

Finance Minister Lim Chang Yuel said rates would rank high on the agenda in talks this week with Mr. Neiss and other Fund officials. He told a state broadcaster he felt "very sorry for companies suffering from recently soaring interest rates under the IMF program." Mr. Neiss warned, however, that "the slowdown in growth is likely to be larger than we assumed in December," as is the drop in value of the won. He said his team would "draw conclusions once we have agreed on a new forecast for the economy."



MONEY SUPPLY — A Philippines central bank employee stacking newly printed bills. Southeast Asian countries aim to increase use of regional currencies among themselves and cut dependence on the dollar.

MERGER: Glaxo and SmithKline Beecham Plan a Goliath

Continued from Page 1

to do, even Merck, Bristol-Myers and Johnson & Johnson," said Steven Putnam, an analyst at Dresdner Kleinwort Benson.

The combined value of the two companies dwarfs the record \$37 billion that WorldCom Inc. paid recently to acquire MCI Communications Corp., as well as the \$27 billion value of the 1996 drug merger of Ciba-Geigy AG and Sandoz AG that created Novartis.

The planned merger, which was announced late Friday after markets closed in London and New York, was expected to bolster the already lofty prices of other drug company stocks, analysts said.

But the news came as a harsh blow to American Home Products Corp., which announced 10 days earlier that it was in merger discussions with SmithKline. American Home Products now faces a strategic vacuum and the prospect of multibillion-dollar lawsuits over its Redux diet pills, which it withdrew from the U.S. market last year because of a risk of damaging heart valves.

Early agreement on some key issues indicated that Glaxo and SmithKline were likely to complete their merger. The two companies announced that Glaxo shareholders would control 59.5 percent of the merged group and SmithKline would have 40.5 percent. Sir Richard Sykes, Glaxo's chairman, would take that post at the combined company while

SmithKline's chief executive, Jan Leschly, would occupy that post.

Merger activity has mushroomed in recent years as globalization has buffeted industries from telecommunications to banking, but few have felt the changes as much as pharmaceuticals.

It can take more than 10 years and \$400 million of investment to develop a new drug, and the increasing technological complexity of leading-edge areas like genetic research promise to keep costs escalating. As a result, companies are eager to merge to eliminate overlapping research and sales expenses and to increase their chances of churning out top-selling drugs.

Sir Richard, who initiated the deal after SmithKline announced it was in talks with American Home Products, has publicly set a target of winning 10 percent of the global market for prescription drugs. The merger would put him within striking distance of his target, and well ahead of Merck and Novartis, which hover around 4 percent each.

Glaxo and SmithKline make a good fit because of their complementary product lines and strong R&D programs, analysts and company officials said.

Analysts say the two companies should be able to eliminate about \$1 billion (\$1.63 billion) a year of costs by cutting out duplication. They each have a London headquarters and research labs just outside the city, as well as separate laboratories in the United States.

Analysts saw significant cuts in Britain and predicted that SmithKline's lab outside Philadelphia would be closed in favor of Glaxo-Wellcome's facility in North Carolina. The prospect of as many as 10,000 job losses at the two companies, which employ nearly 112,000, aroused fear and anger among British unions.

hillion a year on research and development, compared with \$1.9 billion for Novartis and \$1.5 billion for Merck.

Since 1996, the two companies have been collaborating on genetic research, an area where both expect to derive the hit products of the 21st century. Sir Richard and Mr. Leschly know each other since they both worked as vice presidents at Squibb Co.

Despite the imposing size of a Glaxo-SmithKline combination, the drug industry remains relatively fragmented globally, and the deal is not likely to face antitrust obstacles on their overall market share. But analysts said they would probably have to divest some drugs, particularly in anti-viral drugs for treating herpes and in oncause suppressants for chemotherapy patients, where they dominate the market.

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In a meeting with journalists Sunday,

Deputy Prime Minister Li Lanqing of China took pains to send the message that Beijing recognized it could not let

its currency, the yuan, slip. He spoke of the "impossibility" of letting such a devaluation happen.

A devaluation, he said, would "add fuel to the flames" of global turmoil by triggering "another round of vicious devaluations" across Asia.

He also emphasized that financial transparency, budget rigor and allowing bankruptcies of weak state enterprises were all elements that financial markets would scrutinize in putting the nation's currency to the test.

Defending the yuan, he acknowledged, "is not only in our interest but also a contribution to the recovery of stability and confidence in the Asian currency markets."

"This is the price we have to pay for the benefit of reform," Mr. Li said. "It is also a hard reality of the market economy."

Very briefly: Davos

Viktor Chernomyrdin, the Russian prime minister, said the Russian economy was showing "positive signs." Mr. Chernomyrdin said that while the structural transformation of the economy would take as long as 15 years, Russia would soon have "more reasonable" interest rates.

The Bank of France does not intend to sell gold, Jean-Claude Trichet, the central bank's governor, said, responding to Peter Munk, chairman and chief executive of Barrick Gold Corp., who said European central banks had driven down the price of gold by not responding to rumors they were selling or would sell gold.

Countries must not revert to protectionist trade measures to support local industry in the face of cheaper exports from Asia, the World Trade Organization's director-general, Renato Ruggiero, said. He urged Europe and the United States to keep their markets open.

The banks are volatility merchants," Mr. Soros said. "There is no constituency to do anything about it."

In the meantime, Asian finance officials are nervously watching several potential triggers for renewed turmoil:

A devaluation of the Chinese currency, which many officials say would touch off a new round of devaluations

competition from Asian neighbors. He also pledged to keep China's economic policy stable.

George Soros, the international financier, said he expected the Hong Kong currency's peg to the U.S. dollar to hold and said its collapse was an "unlikely event." He added that a period of austerity in Southeast Asia of "at least 18 months" was likely if governments adopted the necessary reforms.

The financial and economic turmoil in Southeast Asia will help keep European inflation and interest rates low, although there is no danger of deflation, said Omar Issing, the Bundesbank's chief economist.

Europe's planned single currency, the euro, will only rival the dollar as a reserve currency once the region has a more liquid bond market, Howard Lutnick, chief executive of Cantor Fitzgerald LP, said.

President Ernesto Zedillo of Mexico said countries had to improve their financial-regulation systems to prevent financial crises and not move to restrict capital flows.

Jacques Santer, president of the European Commission, said he was confident the EU would soon reach a comprehensive agreement with Switzerland, following the agreement on a transport accord this month.

Bloomberg, Reuters

SHORT COVER

Malaysian Criticizes

West on Cronyism

KUALA LUMPUR (Reuters) — Deputy Prime Minister Anwar Ibrahim was quoted Sunday as criticizing Western theories that the Asian financial crisis is the result of corruption and cronyism, saying the West is just as imperfect.

"This outlook suggests that all negative elements are linked to the East and the West is free from such weaknesses like safeguarding businesses and cronyism, free from corruption and social ills," the Malaysian news agency Bernama quoted Mr. Anwar as saying.

The report also quoted the U.S. ambassador to Malaysia, John Mallot, as having said in an interview last week that Asia's economic crisis had sent a message that political favoritism alone could ensure success in business.

Westpac Predicts Cut

In Australia Growth

Sydney (Bloomberg) — The financial turmoil in Asia could strip more than 1 percentage point from the Australian economy's growth rate, the managing director of Westpac Banking Corp., Bob Joss, warned Sunday.

The value-added tax rose to 22 percent from 18 percent for almost all goods with the exception of some staples, including meat and milk. The tax on utilities was also raised.

EURO: Disputes Tarnish Currency's Image

Continued from Page 11

French-German deal was in the works, Mr. Santer demurred. "The Maastricht treaty says the mandate for the ECB president is eight years," he said Sunday, "but we don't have to make up our mind on this yet."

Prime Minister Jean-Luc Dehaene of Belgium said, "For the moment there is no deal, and I would be surprised if there would be one before the beginning of May."

Mr. Dehaene said the divisive issue had been transformed into a series of trade-offs.

"This matter," he said in an interview, "is now mixed together with other issues, such as who will serve on the central bank's council and the decision about who will be the president of the EBRD, and in the end it will have to be a global package."

NASDAQ NATIONAL MARKET

Consolidated prices for all shares traded during week ended Friday, Jan. 30

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Herald Tribune INTERNATIONAL SPORTS

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WORLD ROUNDUP

Bjorn Wins in Wind

GOLF Thomas Bjorn of Denmark survived a testing breeze Sunday to win the \$940,000 Heineken Classic in Perth, Australia.

Bjorn birdied the final hole for a 2-over-par final round of 74 and a total of 280. Ian Woosnam, who shot 76 Sunday, finished second, a stroke behind. Jose Maria Olazabal, Ernie Els, Padraig Harrington and Peter Baker were tied for third a shot further back. (AP)

Greene Equals Record

ATHLETICS — Maurice Greene equaled the world indoor 60-meter record Sunday, clocking 6.41 seconds in Stuttgart. Greene matched the time set by Andre Cason in 1992 at Madrid. (AP)

Another Rival to NFL?

FOOTBALL NBC and Turner Broadcasting said Friday they were discussing starting a league to compete for viewers and advertisers with the National Football League. NBC and Turner lost their NFL contracts when the league agreed to a \$17.5 billion set of deals with rival stations two weeks ago. NBC had televised pro football since 1965; Turner had shown a Sunday night game for four years. (WP)

U.S. Sledder Suspended

OLYMPICS The international bobsled federation banned Michael Dionne, a member of the U.S. No. 3 sled, because the stimulant ephedrine showed up in his system at a competition in November.

Brian Shimer, the top U.S. sledder, will compete in the Winter Olympics despite a test that found high levels of testosterone, according to people close to the U.S. team. The second part of the sample showed normal testosterone levels. (AP)

All Calm in Whitbread

SAILING Merit Cup led the fifth leg of the Whitbread round-the-world yacht race Sunday. The nine yachts were stuck in light winds on the first day of the fifth leg as they headed out of Auckland bound for São Sebastião, Brazil. Chesapeake Racing was second, less than 200 meters behind. (AP)

Doak Walker Injured

DOAK Walker, the Hall of Fame running back, sustained a paralyzing injury when he fell while skiing at a resort in Steamboat, Colorado. "He's not moving his arms or legs," said Dr. Jay Law, neurosurgeon at Columbia Swedish Medical Center. "There's some spontaneous movements now and then but we're not certain if they're reflexes."

Rod Hanna, a resort spokesman, said witnesses told him Walker, 71, was making giant-slalom type turns "when he hit a change in terrain, which caused him to travel 20-30 feet in the air."

There were no trees in the area. (AP)

Korda Pummels Rios To Take 1st Slam Title

Czech Wins, 6-2, 6-2, 6-2, in Australian Open

By Robin Finn
New York Times Service

MELBOURNE — Petr Korda, the 30-year-old Czech string bean, won his first Grand Slam event Sunday at the Australian Open with a world-class pummeling of Marcelo Rios, the No. 9 seed from Chile.

Korda had the 22-year-old Rios on the ropes from the start to the finish of this lopsided final, a 6-2, 6-2, 6-2 demonstration of willpower on one side of the court and will power on the other. Korda dominated the first all-lefthanded final at the Australian Open since Roger Federer tamed Guillermo Vilas in 1977. The victory moved Korda to a career-best second in the world rankings.

He also became the oldest Grand Slam champion since Andres Gomez of Ecuador won the French Open in 1990, but Korda was a decidedly less exhausted champion than Gomez had been. After dropping to his knees for a moment to allow the significance of his performance to sink in, he hurried his racquet into the stands and launched into a brief gymnastics routine as he celebrated the title it took him 35 Slams to win.

"I was on the waiting end of this for a long, long time; I didn't believe it could happen, it's like a dream," said Korda, whose only previous appearance in a Slam singles final was a loss to Jim Courier at the 1992 French Open.

Korda won in 85 minutes. It was the most one-sided men's championship since two-time champion Ivan Lendl trounced Miloslav Mečíř by an identical 6-2, 6-2, 6-2 margin. Both those men, like Korda, started their careers as Czechoslovaks.

Korda's post-match cartwheel was as off-balanced as Rios' baselining had been. Then the ebullient new champion zipped through a pair of signature scissorkicks.

Korda's oxtet celebratory act was a sprint and a climb into the friends' box at court-side, where his wife, Regina, and 4-year-old daughter, Jessica, the inspirations for his comeback last year after three seasons marred by injury and surgery, were awaiting his embrace.

After almost quitting the game in 1995, Korda instead underwent abdominal surgery to repair a hernia, then had groin surgery, and finished it all off with sinus surgery last fall, two months after his rousing upset of top-seeded Pete Sampras in the last 16 of the U.S. Open.

This year Korda re-entered the top 10, and he is undefeated in 1998 after kicking off the year by winning the Qatar Open final in Doha. Rios, who will be ranked a career-high fifth, suffered his first defeat of 1998 at the hands of Korda, the player he beat here in the first round in 1997.

"I don't think I was nervous, but maybe I was excited; I mis-hit too many balls, lost my coordination," said Rios, who made 31 unforced errors and just seven winners.

Rios broke Korda only once, and dropped his own serve seven times, most notably with a double fault that cost him the opening set. The Chilean, who has reversed a two-set-to-none

Hingis Breezes Into the Record Book Once Again

New York Times Service

MELBOURNE — It was another pleasant day at the outdoor office, another Grand Slam title, along with its six-figure paycheck, tucked into the ever-expanding piggy bank of 17-year-old Martina Hingis. She completed a successful and, if truth be told, virtually rote defense of her Australian Open title this afternoon with a 6-3, 6-3 pasting of Conchita Martinez, the No. 8 seed from Spain.

Hingis's accomplishment Saturday had historic echoes and its own tidy symmetry. The 86-minute finale not only delivered Hingis her fourth Grand Slam singles title, but it also made her the youngest player in the Open era to defend a Slam championship. The record was previously held by Monica Seles, who was 17 and a half when she repeated as champion of the French Open in 1991.

Hingis was a junior champion at Wimbledon in 1994, the year Martinez won that title at the expense of Martina Navratilova, the player Hingis was

her slick, dark hair before making her acceptance speech. "I'm happy to have continued to do this this time, especially in singles and in doubles," said Hingis, whose victory was assured when Martinez pumped out her 37th bloop, a backhand wide of the target, at match point.

"She played the right shots at the right time; today patience was everything," said Martinez, who did not have enough of it. "I felt I had a shot at it, but she didn't let me attack. I didn't



Rick Byrd/The Associated Press
Martina Hingis greeting her trophy after winning the Australian Open.

play bad but I didn't play great."

Martinez played this match much the same way she had played Hingis in her previous two matches, both straight-set losses in 1997. She dropped the opening set and dropped her first service game in the second set with a lazy netted backhand.

"She played the right shots at the right time; today patience was everything," said Martinez, who did not have enough of it. "I felt I had a shot at it, but she didn't let me attack. I didn't

sideline at triple break point. After Hingis held for 2-1, Martinez got into trouble again on her serve and put herself in a 3-1 hole with another misfired forehand.

Martinez failed to put up anything resembling a fight until she fended off two set points as she served at 2-5. She recovered that game, to close to 3-5, but that provided only a temporary respite from the loss of the set.

But the Swiss teenager needed just one chance to serve out the opening set in the next game. A netted backhand from the Spaniard, her 22nd unforced error in the 40-minute old match, converted Hingis's third set point for the 6-3 decision.

After breaking Martinez for a 1-0 lead in the second set, Hingis drifted into an uncharacteristic attention lapse and failed to hold serve.

Martinez held for 2-1, but the lead was only momentary. After Hingis survived a long and twisting rally in the fourth game on a point that could have given Martinez a double break point, the Spaniard again retreated and the Swiss won 12 of the next 14 points.

Once Hingis broke for 3-2, Martinez's body language signaled imminent defeat. The champion never let her back into the match.

Last year was the first time in a decade that Martinez, now 25, had failed to win a single tour singles title and the first time since 1992 that she failed to win the Italian Open, her favorite event. The slump pushed her out of the top 10, but her seven-round campaign here in Melbourne moved her back to eighth in the world. Considering that her best previous result here had been a loss to the eventual champion, Mary Pierce, in the 1995 semifinals, Martinez sounded satisfied.

—ROBIN FINN

Ronaldo Finally Breaks Through

Striker Ends Goal Drought to Lead Inter Milan Over Brescia, 1-0

Compiled by Our Staff From Dispatches

Ronaldo ended his goal drought Sunday, heading in the only tally of the game in the 74th minute as Inter Milan triumphed, 1-0, at Brescia.

Inter played the last eight minutes with 10 men after a winger, Francesco Mori, was sent off.

Ronaldo, the world player of the year for the past two seasons, had not scored since Dec. 6 and had been criticized by Massimo Moratti, the Inter Milan owner, last week after the club's winless streak reached two games.

That brief skid allowed Juventus of Turin to take over first place. The defending champion stayed there with a 2-0 victory over Lecce.

Juventus suffered a setback when its veteran defender, Ciro Ferrara, fractured his left leg in two places. The injury cast doubt upon his status for the World Cup finals this summer in France.

Mark Juliano replaced Ferrara and scored his first goal of the season at the end of the first half. Giuseppe Giannini, a Leccese midfielder, was sent off on the 58th minute. Alessandro Del Piero scored with two minutes to play.

Third-place Udinese lost, 1-0, at Fiorentina. Serie A's top two scorers — Oliver Bierhoff of Udinese and Gabriel Batistuta of Fiorentina — could not score, and the match was decided by Luis Oliveira's goal.

Elsewhere, Filippo Maniero — acquired from Parma last week — headed home the winner after a scramble in the 90th minute to give AC Milan a 1-0 victory over Piacenza. It ended Milan's 365-minute scoreless streak at the San Siro Stadium.

SPAIN Barcelona returned to the top of the Spanish first division Sunday but was booted off the field by its fans after struggling to a 2-1 victory over last-place Sporting Gijon.

Rivaldo scored both goals in the match, which lifted Barcelona past Real Madrid in the standings. Madrid is

slated to play Valencia on Monday.

Real Sociedad won, 4-0, at Valladolid to stay close behind in third place.

ENGLAND David Batty scored his first goal of the season to give Newcastle a 1-0 victory at Aston Villa on Sunday. Newcastle is mired in the relegation places.

On Saturday, Manchester United lost at home for the first time this season.

Tony Cottee, a former England international making only his second start of the season, scored in the 30th minute to give Leicester City a 1-0 victory.

United's two closest pursuers could not exploit its slip. Liverpool and Blackburn drew, 0-0, at Liverpool and were both overtaken by Chelsea, a 2-0 winner over last-place Barnsley. Liverpool lost Jason McAteer, an Irish international, with a broken leg.

Gianni Vialli, who scored four times in Chelsea's 6-0 victory at Barnsley last August, scored the first, and Mark Hughes added the second.

Trevor Sinclair, who joined West Ham for £3 million (\$4.9 million) from Queens Park Rangers last week, marked his debut with both goals in a 2-2 draw against Everton.

Germany's Giovane Elber scored after 11 seconds as Bayern Munich beat last-place Hamburg, 3-0, on Saturday as the Bundesliga resumed after six-week winter break.

Kaiserslautern, the league leader, drew, 1-1, in Gelsenkirchen against Schalke 04. Beyer Leverkusen remained in fourth place after a 1-1 draw at Karlsruhe on Sunday.

Bayer took the lead when Mario Basler looped a 40-meter pass into the Hamburg penalty area. Hamburg's goalkeeper, Richard Golz, and a defender, Stefan Boeger, crashed into each other, leaving Elber to head in the quick-



Rick Viestri/The Associated Press
Newcastle's Alan Shearer trying to escape Aston Villa's Ricardo Scimeca, right.

Callard Leads Bath Over Brive

Reuters

BORDEAUX — Jonathan Callard, a last substitution, scored all his team's points including an injury-time penalty as Bath of England beat the French club Brive, 19-18, to capture the rugby-union European Cup.

It was the first victory in a European Cup final by an English team. Toulouse won the inaugural tournament in 1996 and Brive kept the trophy in France last season.

Callard, who also scored the only try and made a 2-point conversion, put Bath ahead Saturday when he kicked home his fourth penalty at 1 minute, 13 seconds of injury time.

In the few remaining seconds, Brive had two chances to win. First, Christophe Lamaison missed a penalty from 20 meters. Second, André Arbliz then sent a drop-goal attempt wide in a furious finale.

Lamaison also missed a last-minute effort in the semi-final against Toulouse, but went on to score. Brive's Lamaison missed a penalty in the final with an equalizing penalty in extra-time.

Brive dropped Matt Perry, the England fullback, to include Callard, who is a better place-kicker.

Brive led from the opening minutes until the dying seconds, but could not score a try. Its points came from five penalties by Lamaison and a drop-goal by the fullback Alain Penaud.

Maier Wins 4th-Straight Super-G

Compiled by Our Staff From Dispatches

GARMISCH-PARTENKIRCHEN, Germany — Hermann Maier of Austria, the dominant skier in this season's World Cup competition, captured his fourth consecutive victory in the Super-G on Sunday in the final Cup race before the opening of the Winter Olympics.

Maier, who is unbeaten in the Super-G this season, won with a time of one minute, 19.79 seconds, beating a fellow Austrian, Hans Knauss, by 0.91 seconds. In his previous two victories, Maier had been first by more than a second, a huge gap in World Cup races.

Maier, racing just after Knauss, was 0.37 seconds ahead of his teammate at the halfway point. He then increased his lead with a near-flawless performance on a sunny day with perfect conditions on the Kandahar course.

Lasse Kjus of Norway was third in 1:20.88 and became only the second non-Austrian to reach the podium in a Super-G competition this season. Luca Cattaneo of Italy placed third on Jan. 11 in Schladming, Austria.

On Saturday, Andreas Schifferer of Austria won the downhill, with Maier placing third. The Austrian men's team has won 22 of 30 races this season.

Katja Seizinger of Germany won a downhill race in frigid conditions in Are, Sweden, on Saturday. It was her eighth victory of the season.

Seizinger crossed the finish line in one minute, 4.92 seconds, 0.17 seconds ahead of Renate Goetschl of Austria and 0.26 seconds ahead of Florence Masmuda of France in the final women's World Cup race before the Olympics.

Picabo Street of the United States crashed at an estimated 75 miles an hour (120 kilometers an hour). She rolled down the slope before slamming into safety netting. Officials said the 1996 world downhill champion lost consciousness briefly. She was helped to her feet and limped off the course before bursting into tears. She said Sunday that she would compete in Nagano.

(AP, Reuters)

MONDAY, FEBRUARY 2, 1998

Nuggets, Aided by Newman, Win Again

The Associated Press

Johnny Newman, an 11-year veteran who had started only five of the previous 43 games, came off the bench and scored 21 points as the Nuggets snapped an 11-game home losing streak with a 110-98 victory over the Dallas Mavericks.

Bobby Jackson added 20 points and 11 rebounds, Tony Battie scored 19, and LaPhonso Ellis had 13 points and a season-high 14 re-

NBA ROUNDUP

bounds on Saturday night. Denver, which had not won at home since Dec. 7 against the Los Angeles Clippers, triumphed for only the second time in 27 games.

"We're setting new records — that is two wins in a month for us," said the Denver coach, Bill Hanzlik.

Michael Finley had 38 points for the Mavericks as they lost their 18th straight road game. Dallas has not won on the road since Nov. 1 in Seattle.

"My team gave me everything they had and Denver countered everything we did," said the Dallas coach, Don Nelson.

The Nuggets began to pull away in the third period as Dean Garrett and Jackson had five points each. Garrett followed two misses with dunks, and Jackson's 20-foot jumper put them up, 73-64, with 1:36 left in the period.

Cavaliers 90, Pistons 88 Zydrunas Ilgauskas had a career-high 32 points and 13 rebounds, and Shawn Kemp added 27 points and 15 rebounds as Cleveland beat visiting Detroit.

Ilgauskas, the towering rookie center from Lithuania, and Kemp combined to make 23-of-31 from the field as Cleveland went to its inside game after learning that its rookie guard, Derek Anderson, would miss six to eight weeks with a knee injury.

Detroit's Lindsey Hunter

*Tony D'Onofrio/The Associated Press*

The Pistons' forward Jerry Stackhouse, left, battling with Vitaly Potapenko of the Cavaliers for a rebound.

scored 18 points, but missed a 20-footer at the buzzer that would have sent the game into overtime. Grant Hill had 19 points and 10 rebounds, but was only 6-for-17 from the field.

Suns 96, Magic 94 Rex Chapman scored eight of his 19 points in the final 37 seconds as Phoenix came from behind to win in Orlando.

Chapman made a clutch 3-pointer and five free throws down the stretch as Orlando squandered an eight-point lead in the final 2:35.

Rockets 102, 76ers 88 Charles Barkley scored 14 points and 15 rebounds as Houston snapped a five-game road losing streak.

Kevin Willis had 18 points, Mario Elie pitched in 12 and Eddie Johnson had 16 for the Rockets, who have not lost in their last six trips to Philadelphia. The 76ers got 22 points from Jim Jackson and 18 points and 12 rebounds from Derrick Coleman.

Hawks 103, Hornets 93 In Charlotte, Steve Smith and Mookie Blaylock each scored 20 points as Atlanta snapped the Hornets' four-game winning streak.

Chucky Brown led a 37-point performance from Atlanta's bench, scoring 6 of his 14 in a decisive fourth-quarter run as the Hawks won their second in a row after a five-game skid.

Bucks 102, Hornets 94 Charles Barkley scored 14 points and 15 rebounds as Houston snapped a five-game road losing streak.

Phoenix 102, Wizards 92 Phoenix' 102-92 record improved to 12-12. Jason Williams had 22 points and 10 rebounds, but was only 6-for-17 from the field.

Knicks 101, Pistons 98 Detroit's 101-98 record improved to 12-12. Jason Williams had 22 points and 10 rebounds, but was only 6-for-17 from the field.

Timberwolves 102, Hawks 93 Atlanta's 102-93 record improved to 12-12. Jason Williams had 22 points and 10 rebounds, but was only 6-for-17 from the field.

Blazers 102, Suns 96 Phoenix' 102-96 record improved to 12-12. Jason Williams had 22 points and 10 rebounds, but was only 6-for-17 from the field.

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SPECIAL WINTER OLYMPICS PREVIEW

'Herminator' Makes Up for Lost TimeBy Christopher Clarey
New York Times Service

WENGEN, Switzerland — So, Hermann Maier, when was the last time you laid a brick? "The 26th of October, 1995," said Maier, answering the question the same way he skis down mountains: precisely and with no hint of hesitation.

In the autumn of 1995, Maier was nearly 23, earning the bulk of his modest living with a trowel and waiting for his chance to prove that he belonged on the World Cup circuit. That has changed.

This season, as Austrian men have been completely dominant, Maier has been the most complete, most dominant Austrian, although there are suggestions that he is not from Austria at all.

"I came in first among the skiers from this planet," said a fellow Austrian and roommate, Andreas Schifferer, after finishing second to Maier in a tricky Super G in Schladming, Austria, in January.

Barring extraterrestrial intervention, Maier will become the first Austrian in 28 years to collect the large crystal globe awarded to the overall World Cup winner. By winning eight races, including five straight in January, and finishing on the podium in six others, Maier had amassed more points (1,405) by mid-

season than last season's champion Luc Alphand collected in an entire winter.

In a country where skiing talent is identified early and nurtured systematically, Maier slipped through the cracks. Raised in the alpine village of Reitdorf about 80 kilometers south of Salzburg, he was considered a promising skier regionally but he developed chronic knee pain at 15 after growing approximately 30 centimeters in less than a year. He had to stop skiing, and in 1988 he enrolled in trade school to learn how to lay bricks.

"For the next seven years, it was a regular job," Maier said. "I would lay bricks from May to December."

Maier's parents were ski instructors, and he began teaching in his father's ski school in Flachau from "Christmas to March" when his knees had grown strong enough to permit it.

He would rise before dawn and train on his own for two hours before giving lessons. While Austrian contemporaries such as Hans Knauss and Christian Mayer moved onto the World Cup with the help of coaches and sponsors, Maier remained in the Enns valley, free skiing, rock climbing, mountain biking and competing in local races whenever time and finances permitted.

In March 1995, Maier started 141st at the national championships in Super G

and ignored the deeply rutted course to finish an impressive 15th. On Jan. 6, 1996, he served as a foreman at a World Cup giant slalom in Flachau, opening the course for the official competitors to follow. His time would have put him 12th in the real race.

He stormed to the overall title in Europa Cup, the World Cup's minor league, in 1996. Since winning his first World Cup race last February, he has become an irresistible force in his first full season on the national team and run daily riot over the conventional wisdom that all-around skiers like the former World Cup champions Pirmin Zurbriggen and Marc Girardelli are a vanishing breed.

Maier, now known as "the Herminator," has won, often by crushing margins, in three of the four disciplines: giant slalom, Super G and downhill, and he will be a threat to win gold medals in all those events at Nagano.

Asked about Maier, Michel Vion, head of the French ski team, changed his expression. His eyes were bulging and wild; his teeth bared and menacing. "It's like this, his face before the start of the race," Vion said. "He's a killer, a killer."

A calculating killer, Maier is perhaps the slowest course inspector on the World Cup circuit, examining the critical

sections of downhills meter by meter and even peeking over safety barriers to see what sort of dangers lurk in the forest. While others are running in training, he will be to fall this season and his swash-buckling style, slightly surreal sense of balance and speed through the turns often leave little doubt about the winner.

World Cup success does not always translate into Olympic gold: the five-time overall champion Girardelli never won an Olympic race. But Maier, unlike Girardelli, is not the sort of skier to ask himself too many questions.

"I have tried bricklaying for a living and skiing for a living," Maier said. "I prefer to ski."

The King Comes to Seize His Crown**Macho Elvis Stojko Is Determined to Karate Chop His Way to Skating Gold**By Jere Longman
New York Times Service

AROUND HIS neck, Elvis Stojko of Canada wears a gold medal given to him by his aunt and uncle. It was a sort of consolation prize from the 1992 Games in Albertville, France. Most of the men fell in the long program as if they had slipped on the sidewalk retrieving the morning paper. Stojko stayed on his feet but fell inexplicably from sixth place to seventh.

Even now, with three world championships and a 1994 Olympic silver medal, Stojko considers himself as a skating outsider. In a sport where everything from sequins to spirals are judged, Stojko has always been found to have some aesthetic deficiency. He ruffles off the criticisms: He lacks artistry, he is too slow, his hair is too long and his arms and legs are too short. Once, he said, somebody even wrote that his head was too big. His head!

"When you are 17 or 18, trying to get an identity for yourself and people are putting you down, it's tough to go through that," Stojko said.

He is 25 now, the reigning world champion and a gold medal favorite at the 1998 Winter Games. At 5-foot-7-inches and 156 pounds, he has been unyielding in putting power and strength above balletic grace. As a young skater he said he became initiated at what he considered effeminate movements by male skaters. His own macho style suits Stojko's short, blocky body and his martial arts, motocross lifestyle. It is a style he incorporates robustly into his skating interpretations of good versus evil.

At the 1994 Winter Games in Lillehammer, Norway, he skated a technopop short program and paid a tribute to the martial arts legend Bruce Lee in the long program. Stojko is a black belt in karate. So what if the judges preferred the classic style of the Russian Aleksei Urmanov for a gold medal? That was

O.K. with Stojko as long as people didn't consider his muscular style inferior.

"I don't want to be put down standing next to him, to have people saying he's better because he projects his image," Stojko said. "That's a lot of baloney."

When a guy looks at a guy, he wants to see a masculine sense. Figure skaters, dancers, whoever is doing something artistically, can show masculinity without being considered feminine. I can do this and still be artistically brilliant."

Urmanov will not participate in Nagano. He withdrew from the 1997 world championships 11 months ago with a groin injury and has not competed since. Two other Russians, Ilya Kulik and Aleksei Yagudin, will challenge Stojko, along with the American champion Todd Eldredge.

At an Olympic preview before Christians in Munich, the judges again preferred Kulik's classical style to Stojko's dynamism. No matter, Stojko will keep the circular movements of kung fu in his long program. Even his costume suggests the martial arts.

"He's strong, innovative," said Tamara Moskvina of Russia, considered by many the world's top pairs coach. "He has his own special style, those karate fighter hands."

Stojko is indisputably a more complete skater than in 1994, one who has worked to complement the power of his routine with finesse, speed, flow, and tempo change. He can be strong, he said, and still be soft, light, quick. At the Canadian championships last month, Stojko received two unblemished marks of 6 for presentation, the first time he had achieved perfection in his career.

"There was always something not quite right," he said of previous seasons. "I was never quite accepted, no matter what I did. They said I was too powerful, that's not skating. Baloney. Look at Baryshnikov. The guy's so powerful, his movement is so dynamic, I love it. Because I was changing the sport, I almost felt like they were trying to put me under

the carpet so they could go back to the way it used to be, where everything was nice and classical. That's what happened in '94. The last few years, I think they're becoming a little more used to it."

"This is evolution, you can't stop it."

Stojko called the "quad God" in Canada, because he was the first man to land a quadruple toe-triple toe combination jump in competition. The combination won the world title for him in 1997, and will likely be a factor in Nagano. All the contenders but Eldredge have landed one in competition.

Stojko has even considered putting two quads in his long program.

"You're always pushing the limit to make it more difficult," Stojko said. "With an extra quad, your program would be pretty much untouchable if you can do it on the day. But it's tough to put it all together."

"Now, a lot of guys who are trying the jump are taking out a lot of in-between stuff. I'm trying to mesh the two together, to have a full package. You can do the jumps, let's see you do everything else. That's where it's going to count."

In Nagano, Stojko must also face the Curse of the Canadians. At the past three Winter Games, Canadian men have entered as world champions but failed to collect gold. Brian Orser lost to Brian Boitano in Calgary in 1988.

Kurt Browning, the four-time world champion, finished a disappointing sixth in Albertville in 1992 and fifth in Lillehammer in 1994. Now Stojko is the world champion carrying a country's expectations on his shoulders.

"There's a lot of pressure you can feel it from everybody," Stojko said.

Of course, simply being named after Elvis Presley carries its own burden and expectations. He was given the name by his parents, Steve, an immigrant from Slovenia who sings in a church group, and his mother, Irine, a native of Hungary and formerly a folk dancer. This Elvis, too, wants to be King before he has left the building.



Elvis Stojko of Canada showing his style as he skated to victory in the 1997 world championships in Lausanne.

All dates are Nagano dates.

From High-Speed Smashes to Bowling on Ice: 5 Likely Highlights From Nagano

By Ian Thomsen

International Herald Tribune

AT THE Winter Olympics familiar sports share the limelight with those played mostly in obscurity. The ice hockey stars and figure skaters who will figure prominently in television coverage of the Games, will deservedly be among the stars of the Nagano Games, but other, less familiar sports are worth keeping an eye on. Here are five events that should provide highlights.

Short Track Speed Skating

White Ring Arena: Feb. 17-21

This is the equivalent of a high-speed chase at rush hour around the Arc de Triomphe. Four to six skaters whip around the 111-meter indoor track, humping incidentally or ramming full

throttle into each other. They tumble across the ice and go careening into the side walls. Sometimes the winner is the only one standing.

Organizers are trying to create order with a penalty system borrowed from soccer of yellow and red cards for frequent offenders.

Women's Figure Skating

White Ring Arena: Feb. 18-20

The 1994 Olympic showdown between Nancy Kerrigan and Tonya Harding at Lillehammer became the third-highest rated sports event in U.S. history, beating all but two Super Bowls and every World Series baseball game ever televised. There is no Tonya this year, but there is a strong rivalry between the three American entries. Between the 15-year-old world champion rite Tara Lipinski, the 17-year-old former world champion Michelle Kwan and the 20-year-old former U.S.

champion Nicole Bobek, there will be different favorites in every American household. In Lillehammer — while auditions were fixed on the Americans — Oksana Baiul of Ukraine swept past Kerrigan for the gold medal. This time Irina Slutskaya of Russia might do the same.

Men's Ice Hockey

Big Hat and Aqua Wing arenas: Feb. 7-22

Hockey was always a little tournament with in the Winter Olympics — occasionally the U.S. "amateurs" would upset the Soviet "professionals" as the two sides tussled for propaganda. But the Olympics has moved on. If the Americans meet the Russians, it won't be as enemies but as National Hockey League teammates.

The North American professional league will shut down for 17 days to give its American, Canadian, Russian, Swedish and other interna-

tional stars a chance to give hockey the global boost that the first Dream Team gave basketball at the 1992 Summer Olympics. The Americans upset Canada to win the first ice hockey World Cup last September. Don't bother watching until the seeded teams, dominated by NHL players, take the ice on Feb. 13.

Curling

Kazakoshi Park Arena: Feb. 9-15

The ancient game of broomsticks and stones is making its debut as an official Olympic sport. That may seem hard to believe in this age of faster-is-better, but large TV audiences watch curling every winter in the United States, and curling is far more telegraphic.

The large, heavy stone is sent spinning across the ice toward a target while teammates maneuver its speed by frantically sweeping the ice

before its path, melting the ice and preserving the stone's momentum. Thus is launched the first beer drinker's sport in the history of the Winter Games. It should be a huge hit.

Bobsled and Luge

The Spiral: Feb. 8-15, Feb. 20-21

Here is proof of the short attention span engendered by TV. When you first see the bobsledders or lugers blurring and phwooshing across your screen, you can't take your eyes off them. After 10 minutes, you realize that there has to be something better to watch. The champions are those with the strongest start and the drivers who avoid tapping into the walls on their way down. Medalists are often separated by hundredths of a second, but, after all, you don't sit in front of the TV watching other families ride the roller coasters at Disney World, do you?

SPECIAL WINTER OLYMPICS PREVIEW

Games Offer Japanese Cold Comfort

*Once a Symbol of a Nation on the Rise, Olympics Provide Little Relief*By Velisarios Kattoulas
International Herald Tribune

NAGANO, Japan — On June 15, 1991, when the International Olympic Committee picked Nagano over four other cities to host February's Winter Olympic Games, its victory represented icing on the cake for Japan.

At the time, most Japanese saw sliding real estate and share prices not as the beginning of Japan's worst slump in a half-century but as a temporary setback, and Nagano's victory in the beauty contest to host the Winter Olympics seemed to confirm that.

Many Japanese remained convinced they were still on track to overtake the United States and become the world's dominant economy, and perhaps to supersede it as the world's dominant political and cultural force as well.

In 40 years, Japan had risen from the ashes of World War II to become the world's second largest economy. It was vying with conviction for a permanent seat on the United Nations Security Council, and its companies were buying vaunted American movie studios and record labels as though they were chocolate bars and take-out coffees.

On top of that, the choice of Nagano as the host of the 1998 Winter Olympics reinforced the sense that Japan was about to become Number One, the Master of the Universe, while the United States was trapped in what seemed like a never-ending nightmare of crime, unemployment and political sclerosis.

As the 1990s unfolded and the scope of Japan's mainly economic woes came to light, the symbolic role of the Nagano Winter Games changed into a possible catalyst to push the nation back on track.

Today, with little less than a week before the Games begin, they represent something altogether more depressing. Japan is suffering its eighth year in a row of economic and political stasis. The Nagano Games, hamstrung by niggling problems and controversies, are a bitter reminder of Japan's apparent inability to do or get anything quite right anymore; a myth, of course, but a compelling one to 125 million Japanese who have subsisted on a diet of mainly bad news since the Olympic movement picked Nagano to host the 18th Winter Games.

There was a harsh, two-year war of words, now resolved, over where to start one of the main events, the men's downhill skiing. The organizers have had to



Economic cycle has turned cold for Japan.

back down on a pledge to pay athletes' plane, train and automobile fares to the Games because of a shortfall in sponsorship money. A shortage of fluent English and French-speaking volunteers to guide the athletes and fears that gridlock along the narrow roads to the Olympic venues could leave competitors stranded in buses for hours before events have also unsettled organizers.

The drama of the Games — athletes collapsing exhausted across finish lines, crashing at high speed and tearfully clutching medals as national flags flap in the breeze and national anthems blare across the mountains — will probably blow out most of these problems and memories.

One problem that appears insurmountable, however, is that as a nation Japan has failed to rally behind the Nagano Games in the way it did before the Tokyo Summer Olympic Games in 1964 and the Sapporo Winter Olympic Games in 1972.

"The big difference between the Nagano Games and the Tokyo and Sapporo Olympics is that the government got behind those Games," said Ko

Yamaguchi, the chief spokesman for the Nagano Games Organizing Committee. "They were a symbol of Japan's recovery, and people united psychologically behind the Olympic movement."

In many respects, the Japan that hosted the Tokyo and Sapporo Olympics and the one preparing for the Nagano Games are different countries. In the 1960s and 1970s, Japan was characterized by frugality, home of poverty, suffering and dogged hard work following World War II. The Olympic Games represented an opportunity to be merry and celebrate, however briefly.

THese days in Japan, despite the nation's eight-year economic slump, hedonism is the rule and frugality is the rarer commodity. Japan can no longer embrace the Olympics as a symbol of its national prosperity for such symbols are everywhere: packed restaurants, boutiques and movie theaters; skyscrapers; gleaming art galleries and museums; a 24-hour international airport built on a man-made island 5 kilometers offshore; overhead expressways that weave through crowded city centers; the world's finest high-speed train service.

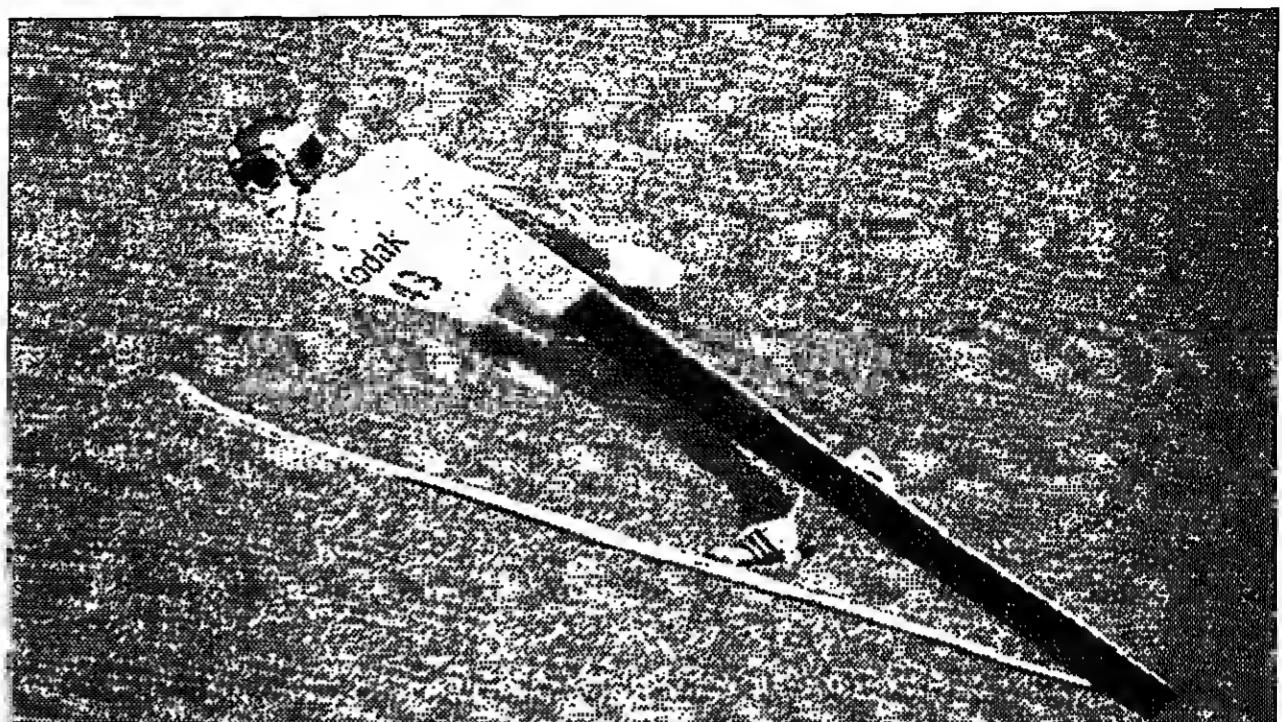
"In the case of these Games, only a part of Japan will host these Olympic Games as opposed to Japan," as a whole, said Yamaguchi, who worked as a volunteer interpreter at the Tokyo Olympics.

In keeping with modern Japan, the organizers have built a series of spectacular stadiums: from the cherry blossom-shaped stadium to be used in the opening and closing ceremonies to the ice dancing arena, which looks as if it has arrived from Mars.

These Games are unlikely to be as picture-postcard-perfect as Japan had hoped for and expected when the Olympic Committee picked Nagano in 1991.

But neither is Japan about to stage an Olympic Games as badly botched as the Atlanta Summer Olympic Games in 1996, which were overshadowed by technical and financial problems.

Nonetheless, to a nation of accomplished worriers worn out by a downturn that appears reluctant to turn up, the less-than-perfect Nagano Games offer little comfort. Some Japanese competitors may beat their American rivals, but in the broader picture, Japan missed its opportunity to outshine the United States. It may have a long wait before it again has a chance to become Master of the Universe.

Masahiko Harada jumping in the Lillehammer Olympics. After his failures there, "all of Japan was upset." Shawn Bevell/Allsport

In High Pressure, Harada Soars Again

By Jere Longman
New York Times Service

MASAHIKO Harada has been a ski jumper since age 9, when he first launched himself off a hill on Japan's most northern island and felt the sheer thrill of flying. Even now, at 29, his nickname is Happy because competition often brings a smile to his face.

Harada is a two-time world champion and leads the World Cup standings with four victories this season. Few athletes at this month's Winter Olympics in Nagano, Japan, will be under more pressure to succeed or will have a more inviting chance of redemption.

His career has been indelibly marked by the 1994 Winter Games at Lillehammer. There he collected a silver in the team competition, but only because he failed to bring home the gold.

After three of Japan's four jumpers had completed the second round of the competition, the Japanese appeared to have an unconquerable lead over Germany. Harada needed to soar only 105 meters to secure first place. His first jump had been 122 meters. The gold medal seemed assured.

"All he had to do was fall off the hill," said Alan Johnson, head coach of the American team in Lillehammer.

Even the Germans thought they would have to settle for silver. Before Harada jumped, he was approached by Jens Weissflog, the German Olympic champion in the 120-meter hill individual event, who told Harada

something like, "Congratulations, you're going to win a gold medal."

With this final jump in the team event,

Harada could make up for his individual disappointments. He had finished 55th on the 90-meter hill after entering the event as world champion. On the 120-meter hill, he finished 13th. This followed fourth-place finishes at the 1992 Winter Olympics in both the 90-meter individual and the 120-meter team events. Finally, he would win a medal, apparently a gold medal.

But, as he had done in the 120-meter individual event, Harada launched himself prematurely. This slight miscalculation left him without either sufficient thrust from his legs or air under his skis.

"He's a power jumper, so it's not uncommon for him to have three great jumps and one stinker," said Johnson.

Needing 105 meters, Harada achieved only 97.5, the shortest of the 64 jumps in the team competition. Germany won the gold medal, and Japan had to settle for the silver. Harada squated on his skis, his head in his hands, while the Germans exulted in victory.

"Because of that, all of Japan was upset," Harada said. "I really felt ashamed, causing such a big uproar."

His failure in Lillehammer sent both Harada's jumping and his confidence into a tailspin. He failed to make the Japanese team for the 1995 world championships, slipping all the way to 59th place on the World Cup circuit.

"I didn't think of quitting," Harada said. "But I had a hard time showing my best. I was not able to do anything good that next season."

Eventually, his career began to catch air again. By 1996, the 5-foot-8-inch, 123-pound Harada had risen to fifth on the World Cup circuit. Last year, he won the world championship on the 120-meter hill and finished second on the 90-meter hill. This year, he has gathered an avalanche of momentum.

He attributes much of his comeback to his wife, Keiko, whom he married following the Lillehammer Games. They have a 3-year-old daughter named Aina, and a 3-month-old son named Yuga. When doubt crept in and Harada began frantically studying other jumpers, trying to locate a style that would fit him, his wife encouraged him to be himself.

"I like to show the spectators that I have power," Harada said. "I feel very good if I have such strong power."

"My smiling face is very famous among the people in Europe," he said.

"By nature I smile a lot. I love flying in the sky. That makes me look very happy. If I come to think about it, I had a very hard time. But I can forget the past. That might be the reason I'm here now."

In the 1972 Winter Olympics in Sapporo, Japan, Japanese ski jumpers swept all three medals on the small hill.

Harada insists there will be little real pressure during the Games. "I'm glad people are expecting that much from me," he said. "Maybe people around me feel pressure, but I don't. I just want to show that Harada is a jumper. If I gain a medal, that would be great."

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